

PSJ17 Exh 7

# *FENTORA* Marketing

## **Overview for Scott Megaffin**

July 2, 2008



## Overview

- Pain Care Franchise Marketing – *FENTORA* Team
- Pain Care Market Assessment
- Actiq Brief History
- *FENTORA* Marketing Launch to Present
  - Product Profile & Positioning
  - Brand Issues & CSFs by year
  - Performance
  - Managed Care Landscape
  - Competitive Landscape
  - LCM / Clinical Plan (prior to new developments)
  - May Advisory Panel Results & Potential Commercial Implications
- 2009 Brand Planning Process & Timeline
- Action Plans – Next 45 Days

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## **Pain Care Franchise Marketing Team**

### **Brand Marketing Team**

- Terrence Terifay – Director, *FENTORA*
- Paula Castagno – Associate Director, *FENTORA*
- *Denise Connelly* – CHS, (Acting Assoc. Dir.) *FENTORA*
- Cynthia Condodina – Product Manager, *FENTORA*
- Suzanne Richards – Assoc Product Manager, *FENTORA*
- Lisa D’Onofrio – Convention Manager, Pain Care Franchise
- Sheila Jo Mikhail, Senior Manager, Market Research, Pain Care Franchise

### **Brand Support Team**

- Palio Communications, Advertising Agency of Record
- Clinical CONNEXION, Promotional MedEd Agency
- KOL, LLC, Thought Leader Development & Strategic Partners

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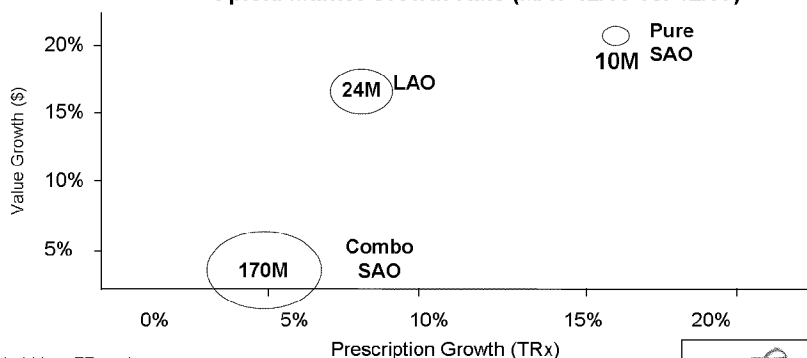
## Pain Care Market Assessment



## US Opioid Market

- Total opioid pain market value growth of 14% with volume growth of 5%
  - Pure SAOs (10M TRx) continue robust growth in both value and volume
  - Combination SAOs (170M TRx) continue minimal growth in volume and value
  - LAOs (24M TRx) show volume growth; branded products drive strong value growth

Opioid Market Growth Rate (MAT 12/06 vs. 12/07)



Size of bubble = TRx volume

Source: IMS NGPS (TRx) and NPS (\$) AUTODATE

NPS is based upon MAT 12/06 vs. 12/07

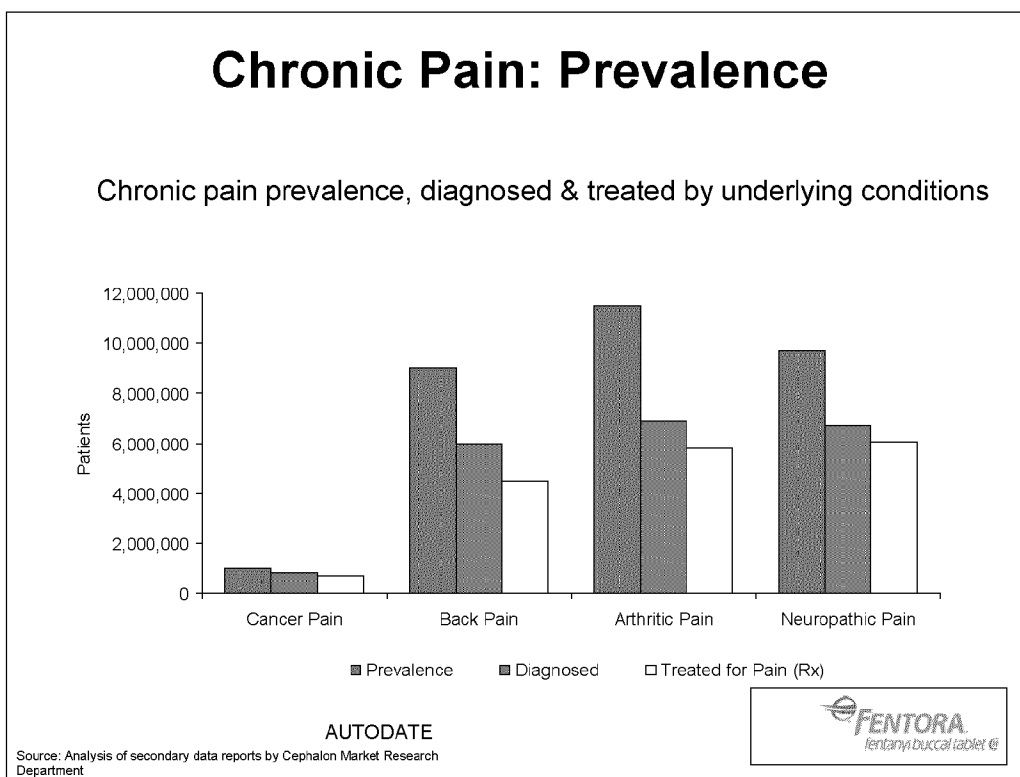


## Disease Overview

Type of Pain	Acute	Episodic	Chronic
<b>Definition</b>	Pain <3 months	Intermittent flares of pain without persistent pain	Pain >3 mths (2 Components) Persistent Pain BTP
<b>Examples</b>	Trauma, Post-op	Migraine, Sickle Cell, PHN	Cancer, CLBP, OA, CRPS
<b>Treatment</b>	NSAIDs, Opioids (Combo & Pure SAOs)	Triptans, Ergots, Opioids (oral, IV, IM)	Non-Opioid & Opioid analgesics (LAO, Combo & Pure SAOs)
<b>Specialists / Treaters</b>	PCPs, Surgeons, Dentists, Other	ER, PCPs, Pain Specialists (ANES, PMR, N)	PCPs, Pain Specialists (ANES, PMR, ONC, N)

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Chronic pain is prevalent & when diagnosed is generally treated (areas where studying FENTORA is most prevalence)

The question remains, "Is it being treated effectively?"

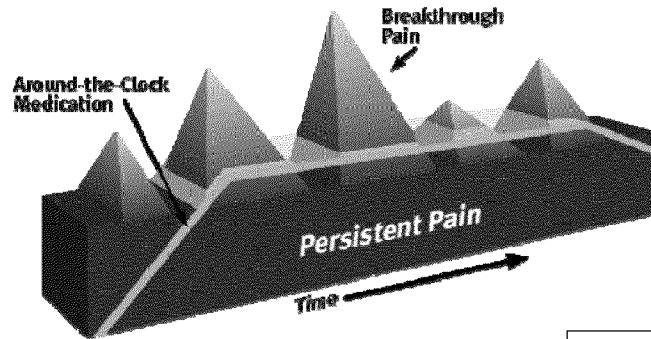
## Chronic Pain: Components

### Baseline or Persistent Pain

Pain that is continuous throughout the day ( $\geq 12$  hours/day) and is managed with around-the-clock medication.

### Breakthrough Pain

Transitory exacerbation, or flare, of moderate-to-severe pain that occurs in patients on chronic opioid therapy with otherwise stable persistent pain.



Portenoy RK, Hagen NA. *Pain*. 1990; **41**:30-41. AUTODATE  
Bennett D, et al. *Pharm Ther*. 2005;30:354-361.

**FENTORA**  
fentanyl buccal tablet ©

Chronic cancer pain is often thought of as having 2 components: *persistent pain*, or pain that is continuous throughout the day (ie, is experienced for at least 12 hours per day); and *breakthrough pain*, a transitory exacerbation, or flare, of moderate-to-severe pain that occurs in patients on chronic opioid therapy with otherwise stable persistent pain. Each component requires independent assessment and targeted treatment.

The graphic illustrates how breakthrough pain “breaks through” the level of analgesia provided by the around-the-clock medication used to control a patient’s persistent pain.

## BTP Prevalence & Characteristics

	Cancer BTP (N =63) <sup>1</sup>	Noncancer BTP (N=228) <sup>4</sup>
Prevalence	64% to 89% <sup>1,2</sup>	74%
Median Episodes/Day	4 to 7 <sup>1-3</sup>	2
Time to Peak Intensity	43% in 3 min	50% in 5 min
Median Duration	30 min	60 min
Incident Related	55%	92%
Pathophysiology	<ul style="list-style-type: none"> <li>• somatic (33%)</li> <li>• visceral (20%)</li> <li>• neuropathic (27%)</li> <li>• mixed (20%)</li> </ul>	<ul style="list-style-type: none"> <li>• somatic (38%)</li> <li>• visceral (4%)</li> <li>• neuropathic (18%)</li> <li>• mixed (40%)</li> </ul>

<sup>1</sup>Portenoy, Hagen. *Pain*. 1990;41:273-281

<sup>2</sup>Zeppetella. *J Pain Symptom Manage*. 2000;20:87-92

<sup>3</sup>Portenoy et al. *Pain*. 1999;81:129-133

<sup>4</sup>Portenoy, et al. APS. 2005



(2) Fisher K, Stiles C, Hagen NA. Characterization of the early pharmacodynamic profile of oral methadone for cancer-related breakthrough pain: a pilot study. *J Pain Symptom Manage*. 2004;28(6):619-625.

(3) Robison JM, Wilkie DJ, Campbell B. Sublingual and oral morphine administration. Review and new findings. *Nurs Clin North Am*. 1995;30(4):725-743.

(4) Cleary JF. Pharmacokinetic and pharmacodynamic issues in the treatment of breakthrough pain. *Semin Oncol*. 1997;24(5 Suppl 16):S16-S19.

(5) Osborne R, Joel S, Trew D, Slevin M. Morphine and metabolite behavior after different routes of morphine administration: demonstration of the importance of the active metabolite morphine-6-glucuronide. *Clin Pharmacol Ther*. 1990;47(1):12-19.

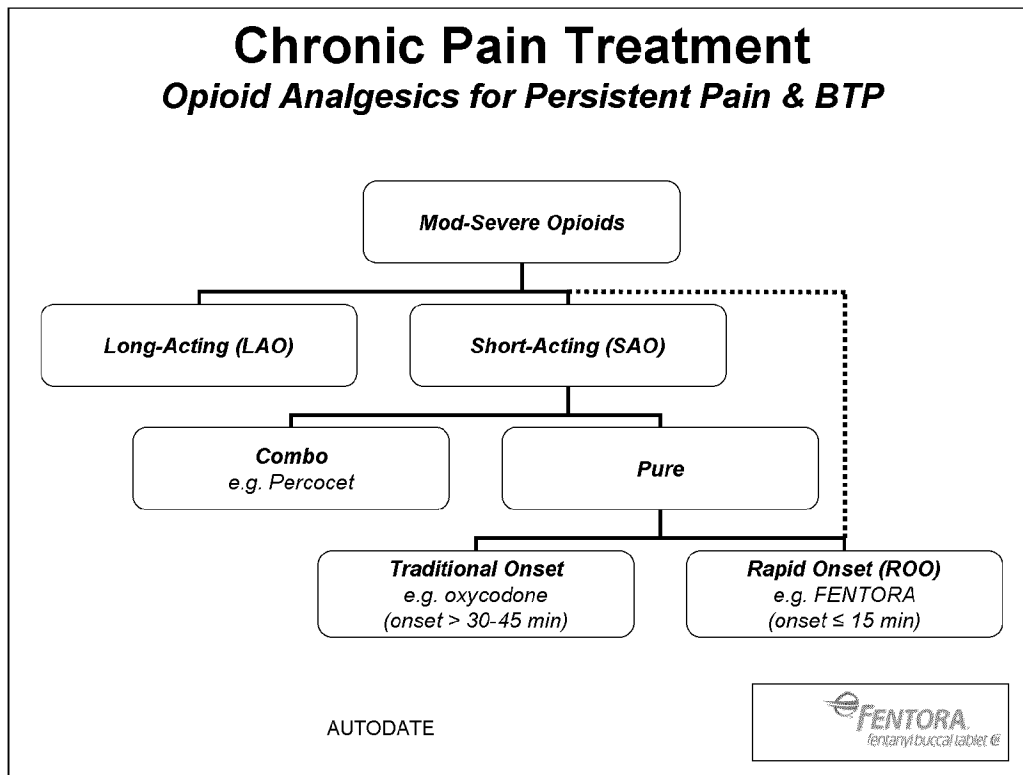
(6) Weinberg DS, Inturrisi CE, Reidenberg B, et al. Sublingual absorption of selected opioid analgesics. *Clin Pharmacol Ther*. 1988;44(3):335-342.

(7) Zeppetella G, Ribeiro MD. Pharmacotherapy of cancer-related episodic pain. *Expert Opin Pharmacother*. 2003;4(4):493-502.

(8) De Conno F, Ripamonti C, Saita L, MacEachern T, Hanson J, Bruera E. Role of rectal route in treating cancer pain: a randomized crossover clinical trial of oral versus rectal morphine administration in opioid-naïve cancer patients with pain. *J Clin Oncol*. 1995;13(4):1004-1008.

(9) Ripamonti C, Bruera E. Rectal, buccal, and sublingual narcotics for the management of cancer pain. *J Palliat Care*. 1991;7(1):30-35.

(10) Gardner-Nix J. Oral transmucosal fentanyl and sufentanil for incident pain. *J Pain Symptom Manage*. 2001;22(2):627-630.



What's it being treated with?

ATC – LAO or SAO, LAO + SAO

## BTP Treatment Patterns

Typical Course of Action	# of BTP Episodes	
	≤ 3	≥ 4
Increase dose of LAO	34%	64%
Increase frequency of LAO	7%	12%
Increase frequency of SAO	21%	10%
Switch the LAO	2%	7%
Increase dose of SAO	28%	4%
Switch the SAO	3%	2%

- The most common treatment choice is to increase the dose of LAOs regardless of # of episodes
- The next most common approach is to either increase the frequency or dose of the SAO
- **Switching to an alternative SAO is typically the last course of action**

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Source: GfK Market Measures – 05

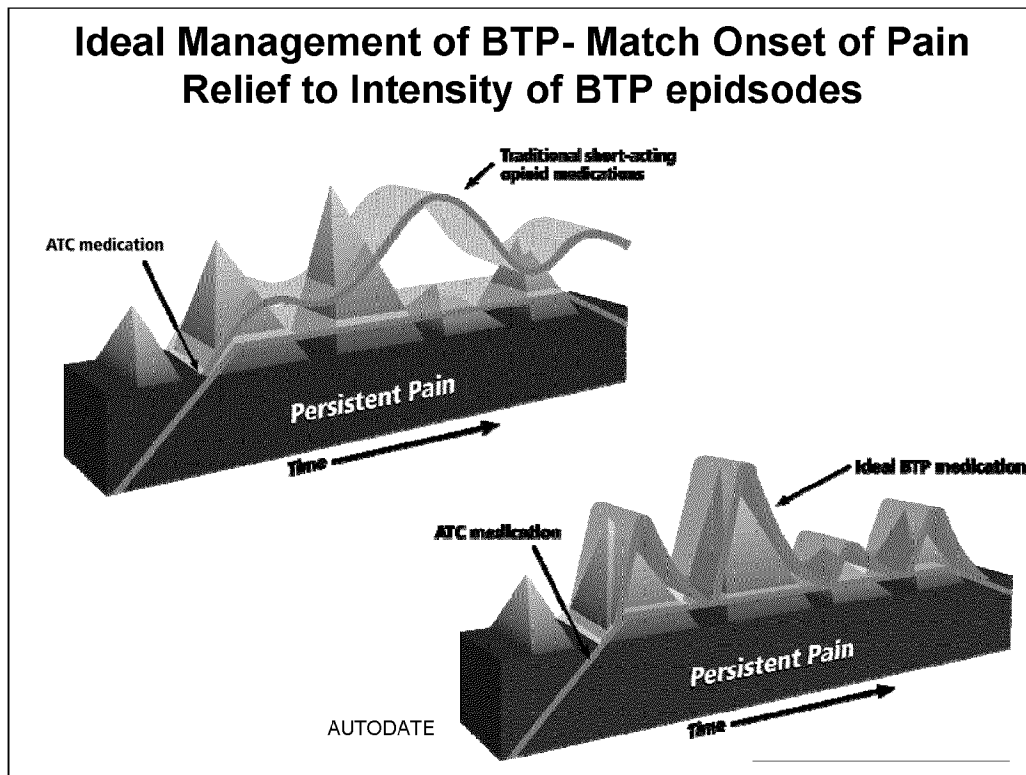


## BTP Disease State – Prescriber Feedback

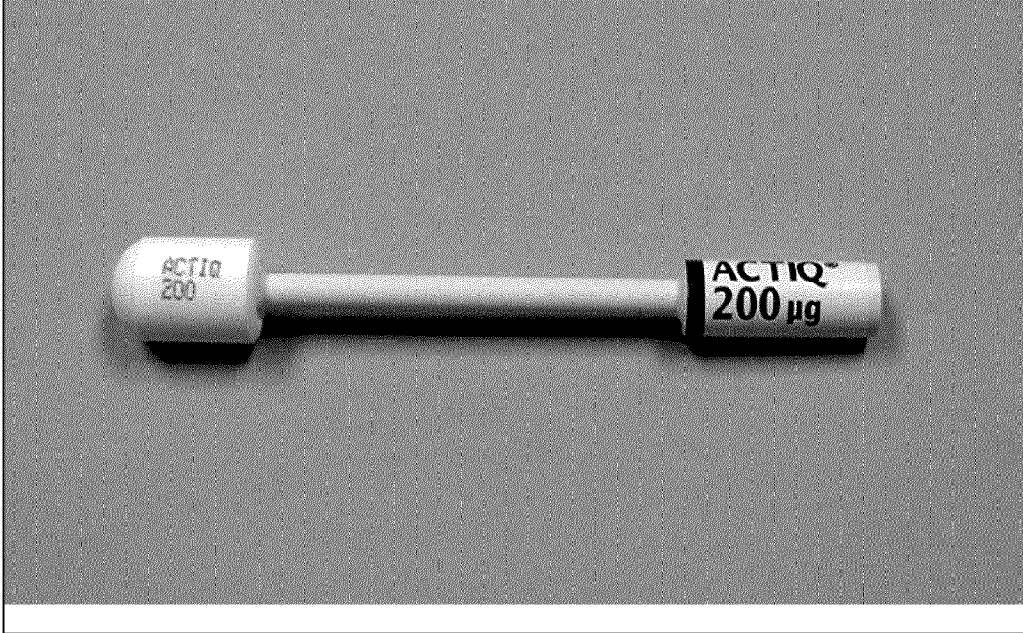
- Generally, there is a disconnect on the necessity of using ROOs to treat BTP
  - This is in part due to the lack of consistency among physicians, including Pain Specialists, in their definition / interpretation of BTP - what causes it and how it presents in terms on onset and duration
- So, for many, when BTP is experienced, adjustments to around the clock therapy (LAOs or traditional SAOs) are seen as adequate
  - ROOs are still considered very much a treatment of “last resort”
- However, based on physician feedback, there is an opportunity to demonstrate the burden of the disease and what onset of relief can mean to a patient
  - *“How many of us have stood by the bed of a patient having a BTP episode? ...It's hard to watch.”*
  - *“BTP causes frustration for both physicians and patients...I don't want my cancer patients having any pain.”*
  - *“The ability to manage their pain, makes me feel like a god.”*

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Actiq® (Oral Transmucosal  
Fentanyl Citrate)

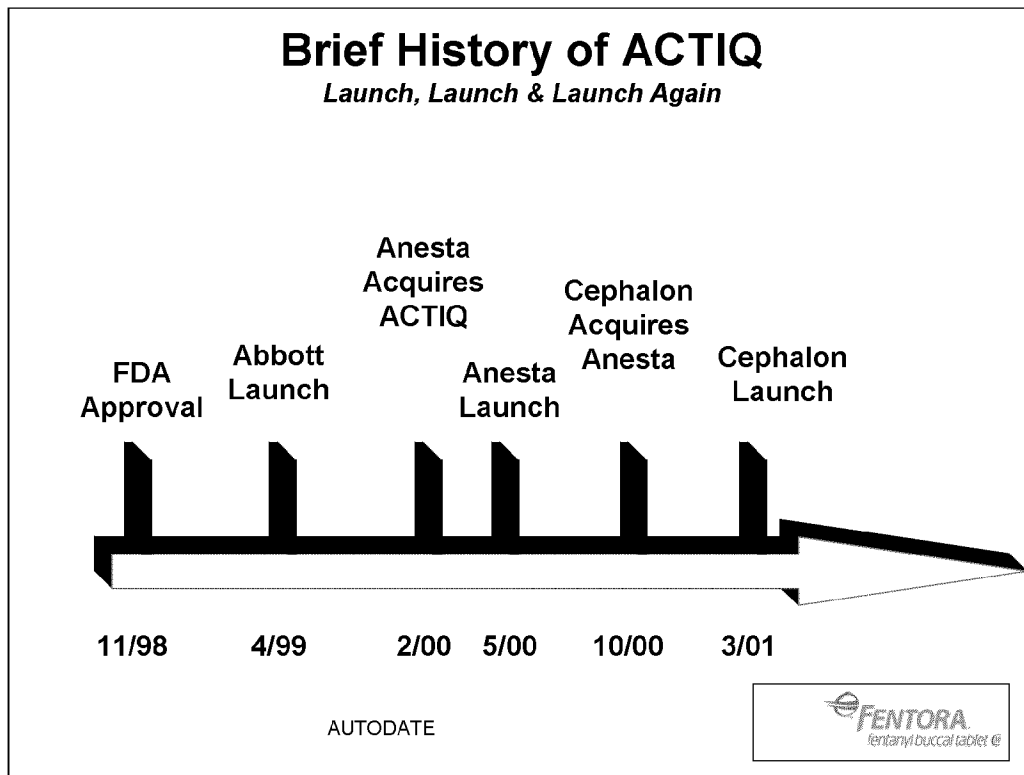


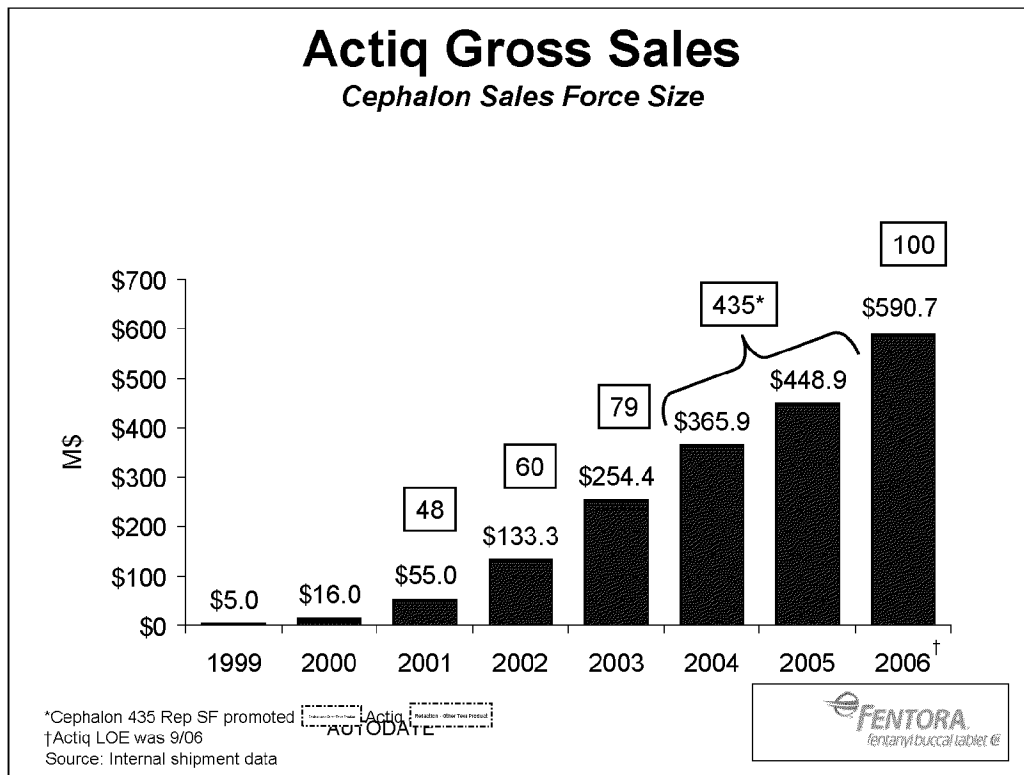
## Fentanyl- Pure Mu Agonist

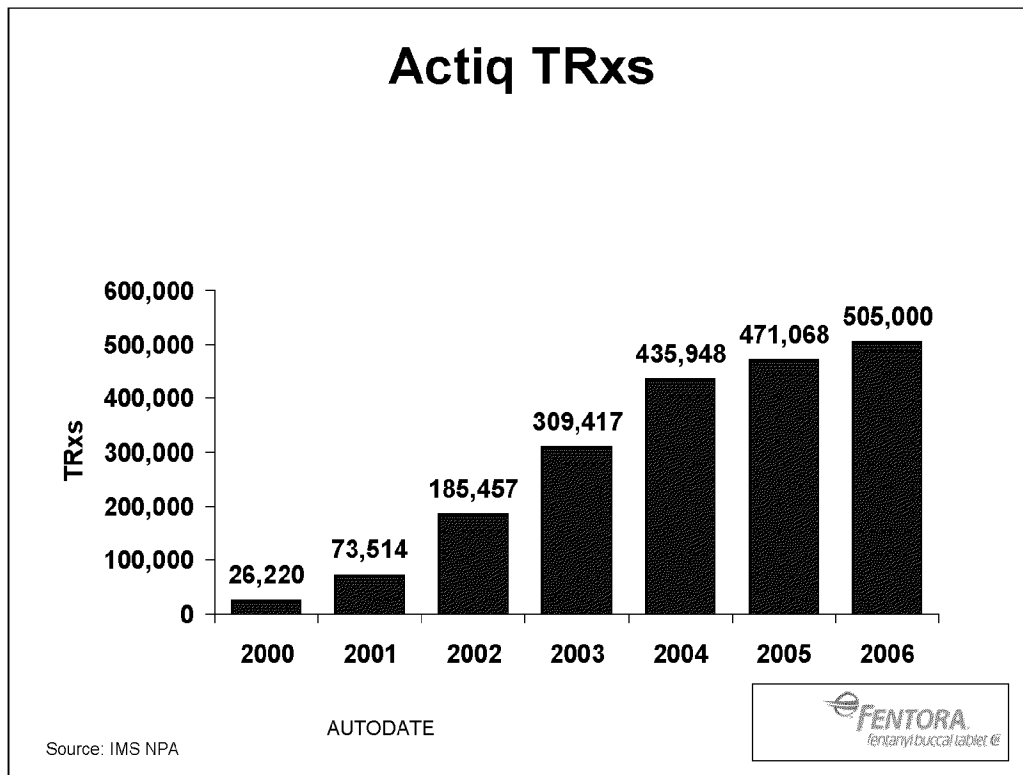
- Opioids produce analgesia by altering pain signals in spinal cord and supraspinal structures
- Mu-opioid receptors
  - brain, spinal cord, smooth muscle
  - Analgesia, sedation, respiratory depression, euphoria
- Highly lipophilic allowing it to cross-membranes rapidly
- Estimated potency of 75-100x that of morphine (IV)
- Extensive 1<sup>st</sup> pass metabolism

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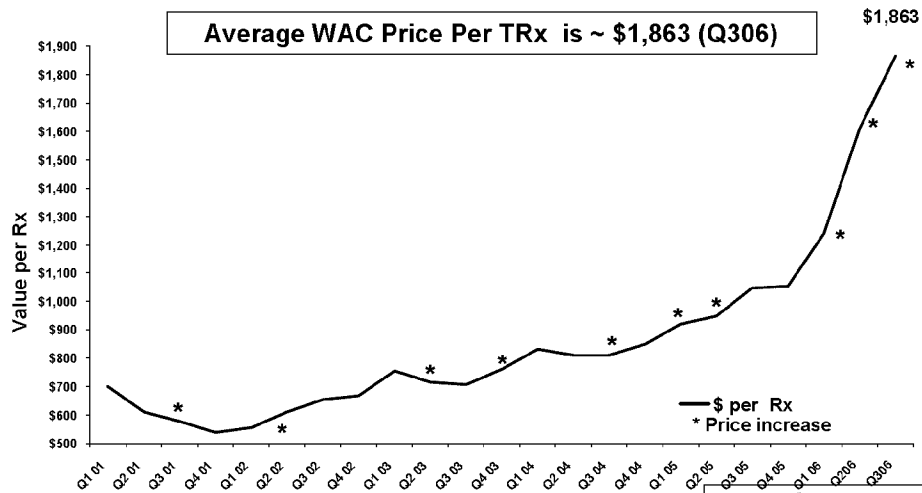




Mention volume has leveled off

## Actiq Pricing

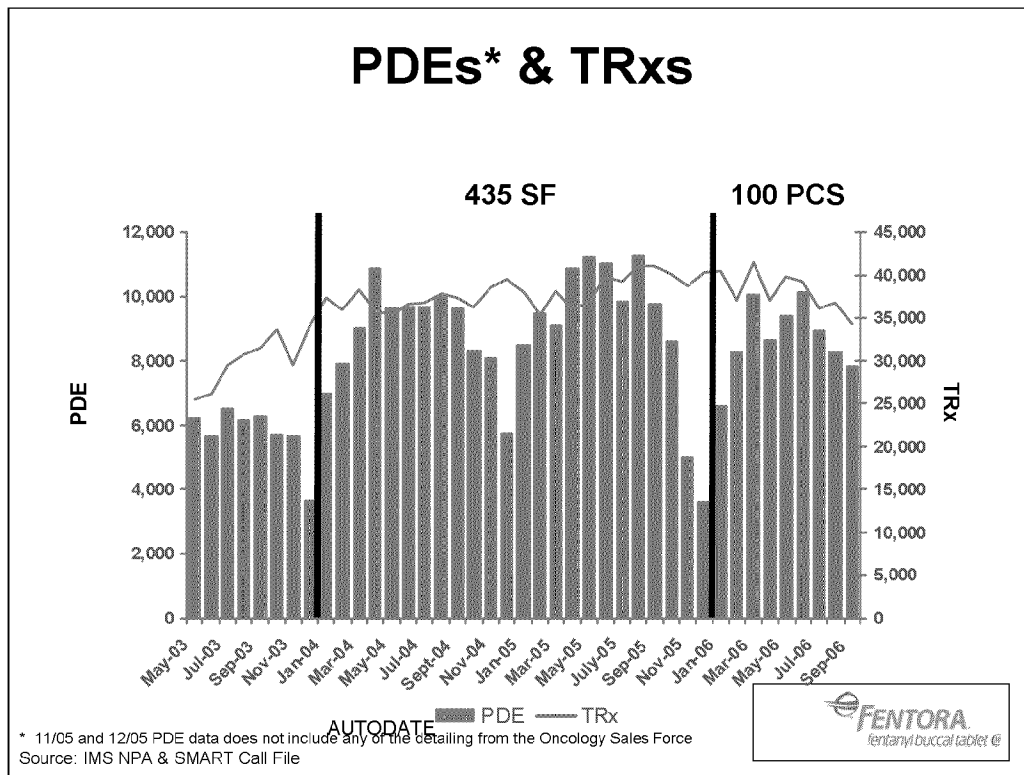
- Price increases have aided revenue growth



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Source: IMS NPA Audit; Internal price as of Sep 2006





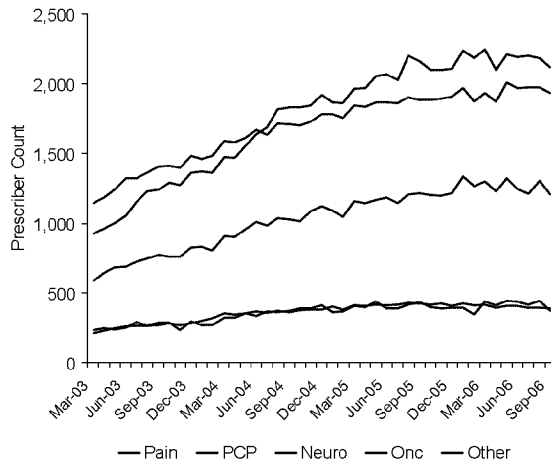
PDEs with dedicated Field Force roughly mirrored that of combined Field Force

More focused details maintained TRx volume

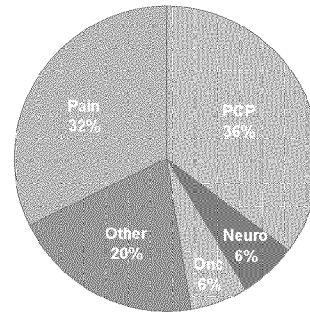
Price increase impacted TRx volume in mid 2006

## Actiq Monthly Prescriber Count by Specialty\*

- PCPs continue to outnumber Pain Specialists



September 2006



\* Cephalon defined Specialty Group AUTODATE  
Source: NDC

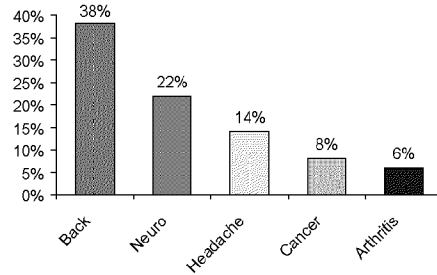


## Conditions Treated with Actiq

Despite promotion in BTCP, Actiq use mirrors that of all opioids

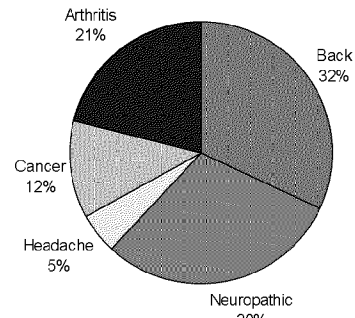
### Underlying Conditions Treated with Actiq

N=774 Patients



### Chronic Pain Patients Treated with Opioids

Estimate – 2.8 M Patients



Source: ACTIQ - Gfk V2 Chart Audit, AUTODATE Chronic pain – Cephalon market research 2nd reports



Underlying conditions treated w/ Actiq mirror that of the opioid market

What were the CSFs that generated  
Cephalon's success with Actiq?



## Historical CSFs Driving Success

- Effectively re-positioned Actiq around primary patient benefit – rapid onset of analgesia
- Sufficient & appropriate resources placed behind brand
- Effective targeting direction
  - Targeted physicians skilled in use of CII opioids that Tx patients with Cancer
- Sales force focused on single product (thru '03 & again in '06)
  - Limited reach but singular product focus & great frequency with core prescribers
  - Able to gain expertise and confidence through focus – critical in CII market
- Close relationship b/w sales & marketing
  - bFOCUSED survey results

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## Challenges of Actiq Selling Process

- “Requires more time, effort, handholding”
  - Different delivery system ( $\Delta$  in Tx paradigm)
  - Perceived cumbersome titration process
    - Limited resources to overcome this
  - Major education involved
  - Whole office and pharmacy sell
  - CII med – accompanying external issues
  - We are lone promotional voice in the Pure SAO & BTP markets

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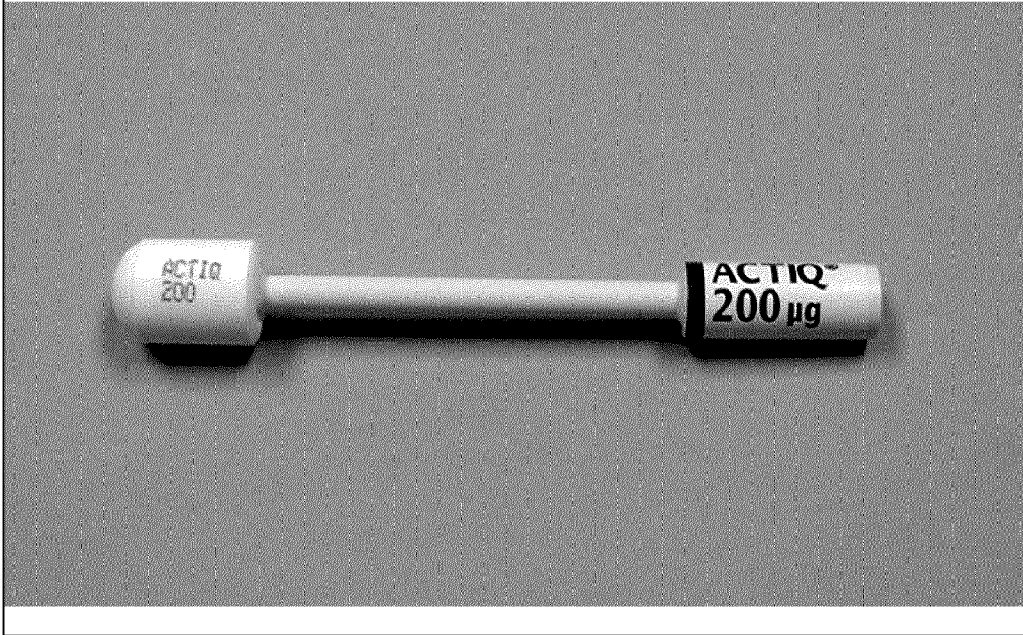


## *FENTORA* Marketing

### **Launch to Present**



Actiq® (Oral Transmucosal Fentanyl Citrate)



## Pain Care Mission

### **Franchise Mission**

- Establish Cephalon as a major player in pain market

### **FENTORA Mission (current)**

- Establish *FENTORA* as the gold standard for BTP in opioid-tolerant patients with cancer

### **FENTORA Mission (pending approval of expanded label)**

- Establish *FENTORA* as the gold standard for BTP in opioid-tolerant patients

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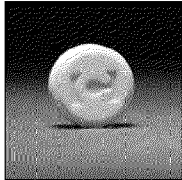
## Product Situation


### Profile & Position



## FENTORA Description

*FENTORA, which employs the OraVescent drug delivery technology, is a potent opioid analgesic intended for buccal administration. FENTORA is formulated as a flat-faced, round, beveled-edge, white tablet.*

  
 fentanyl buccal tablet ©

Pather SI et al. *Drug Deliv Tech.* 2001;1:54-57.

*FENTORA* (fentanyl buccal tablet) is a potent opioid analgesic intended for buccal administration. *FENTORA* employs the OraVescent® drug delivery technology and is designed to be placed and retained within the buccal cavity for a period sufficient to allow tablet dissolution and absorption of fentanyl across the oral mucosa.

*FENTORA* is formulated as a flat-faced, round, beveled-edge, white tablet that contains fentanyl citrate, sodium bicarbonate, sodium carbonate, citric acid, and other inactive ingredients.

## Position & RTB

### Position Statement

*FENTORA* is the first and only fentanyl buccal tablet which utilizes an effervescent reaction to provide the most ***rapid onset of analgesia*** of any oral opioid, resulting in improved patient functioning and activities of daily living.

### Reason to Believe

*FENTORA* employs the ***OraVescent® drug delivery technology***, which generates a reaction that releases carbon dioxide when the tablet comes in contact with saliva<sup>1,2</sup>

- It is believed that transient pH changes accompanying this reaction may optimize dissolution (at a lower pH) and membrane permeation (at a higher pH)

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## ***FENTORA***

### **Product Profile Comparison**

<b>Attributes</b>		<b><i>FENTORA</i></b>	<b>Actiq</b>
Indication		Launch: BTP in patients w/ Ca 2008: BTP in non-Ca patients	BTCP
Efficacy	Onset	15 min (99-14) 10 min + "meaningful relief" (3039)	15 min
	Duration	60 min (99-14) 120 min (3039)	60 min
PK ( <i>FENTORA</i> 400 mcg vs Actiq 800 mcg)	Absolute Bioavailability	65%	47%
	Transmucosal Absorption	48%	22%
	Cmax (mean ng/mL)	1.02	1.26
	Tmax (median, min)	46.8	90.8
Administration	Convenience	Discreet tablet	Lozenge on a stick
	Ease of Use	Passive administration	Active administration
	Dosage	Launch: 100, 200, 400, 600, 800 mcg sNDA: 300 mcg In development: higher dose	200, 400, 600, 800, 1200, 1600 mcg
	Titration	Multiple 100 & 200 mcg tablets	1 higher strength data time

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## ***FENTORA***

### **Product Profile Comparison**

<b>Attributes</b>		<b><i>FENTORA</i></b>	<b>Actiq</b>
Safety	AE Profile	Comparable to other opioids (except for application site abnormalities)	Comparable to other opioids (except for application site abnormalities)
	Abuse Potential	Comparable to other opioids	Comparable to other opioids
	Accidental Exposure	Comparable to other opioids	Lozenge on stick presents potential concerns: – Pediatric exposure – Partially used unit exposure
Formulation		Sugar-free	Sugar

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## **FENTORA Product Profile: Physician Reactions**

### **Physician Perception of *FENTORA***

<b>Drivers</b>	<b>Barriers</b>
<ul style="list-style-type: none"> <li>• Faster onset of pain relief</li> <li>• Overall efficacy</li> <li>• Convenient administration</li> <li>• Ease of use (vs IV administration)</li> <li>• Sugar-free</li> <li>• Unique delivery system</li> <li>• Utilizes less fentanyl</li> <li>• Discreet (ie, no handle vs Actiq)</li> </ul>	<ul style="list-style-type: none"> <li>• Anticipated high cost (reimb. hassle)</li> <li>• Potential for abuse</li> <li>• Potent opioid (held in reserve)</li> <li>• No handle administration*               <ul style="list-style-type: none"> <li>– Actiq saves \$ with partial dosing</li> <li>– Perception Actiq can be removed if AEs</li> </ul> </li> </ul>

- Overwhelmingly, the majority of physicians expressed an interest in this product and felt it had a place in their practice

\* Contrary to Actiq PI (physicians perceived)  
Source: Summary of Market Research Q4 04 – Q1 06



#### **Market Research Barriers**

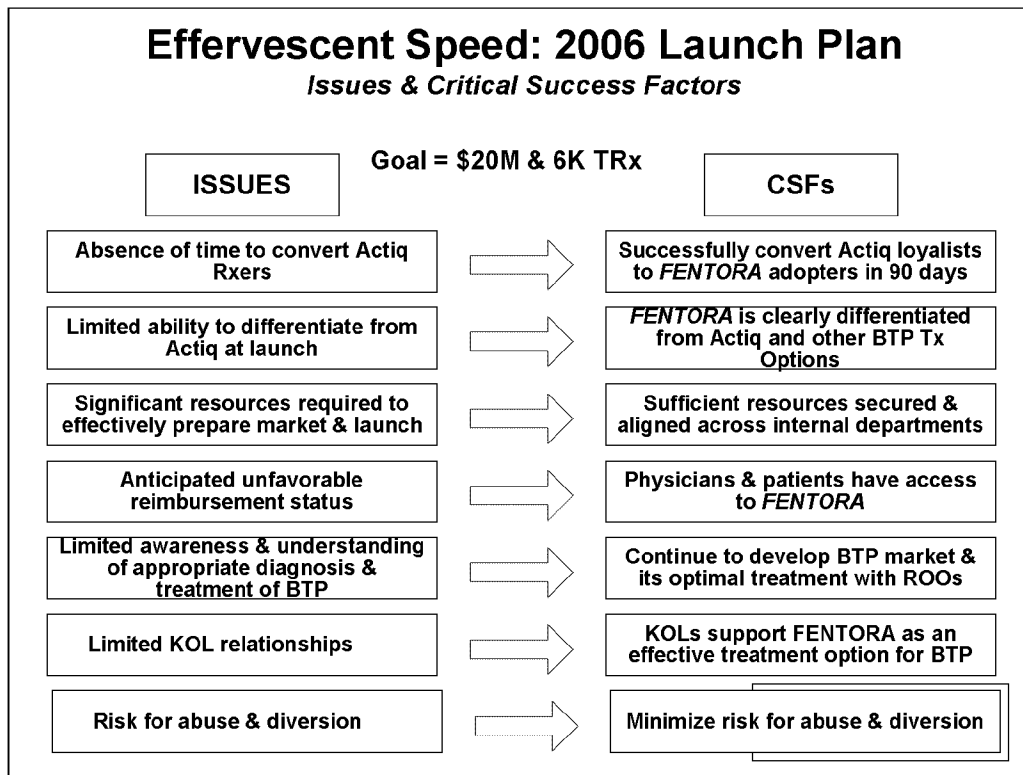
#### **Field Feedback/Objections:**

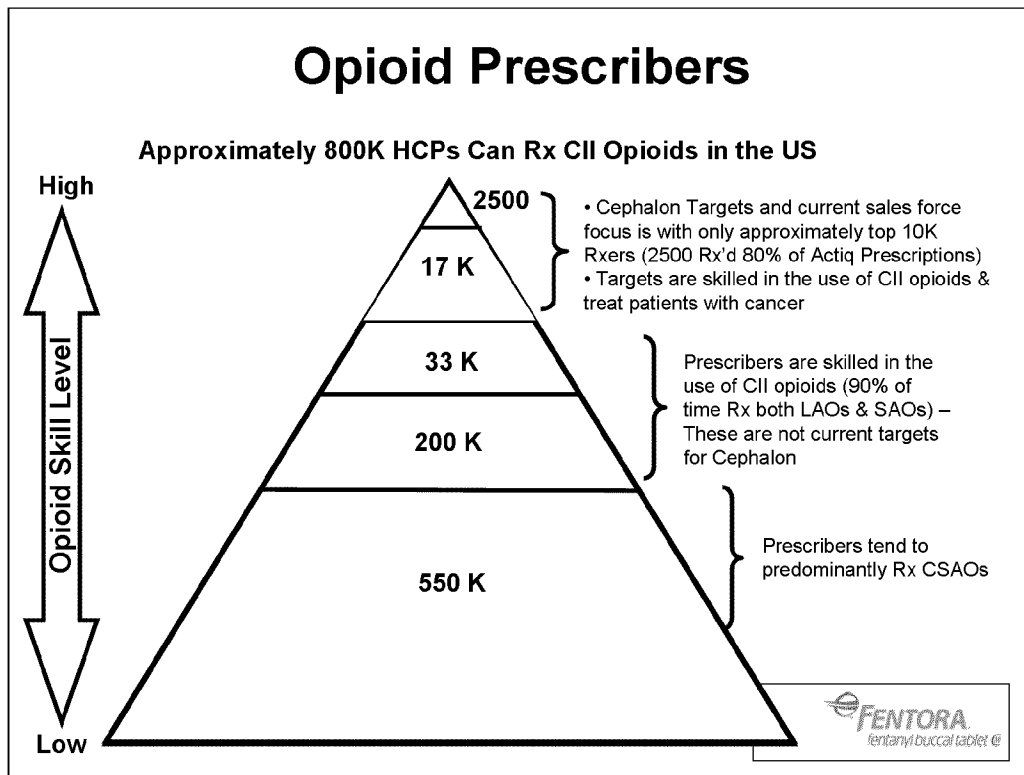
- Taste
- Dosing & Titration (conversion chart)
- Application site abnormalities

## 2006 Launch Strategy

### Key Commercial Issues & CSFs



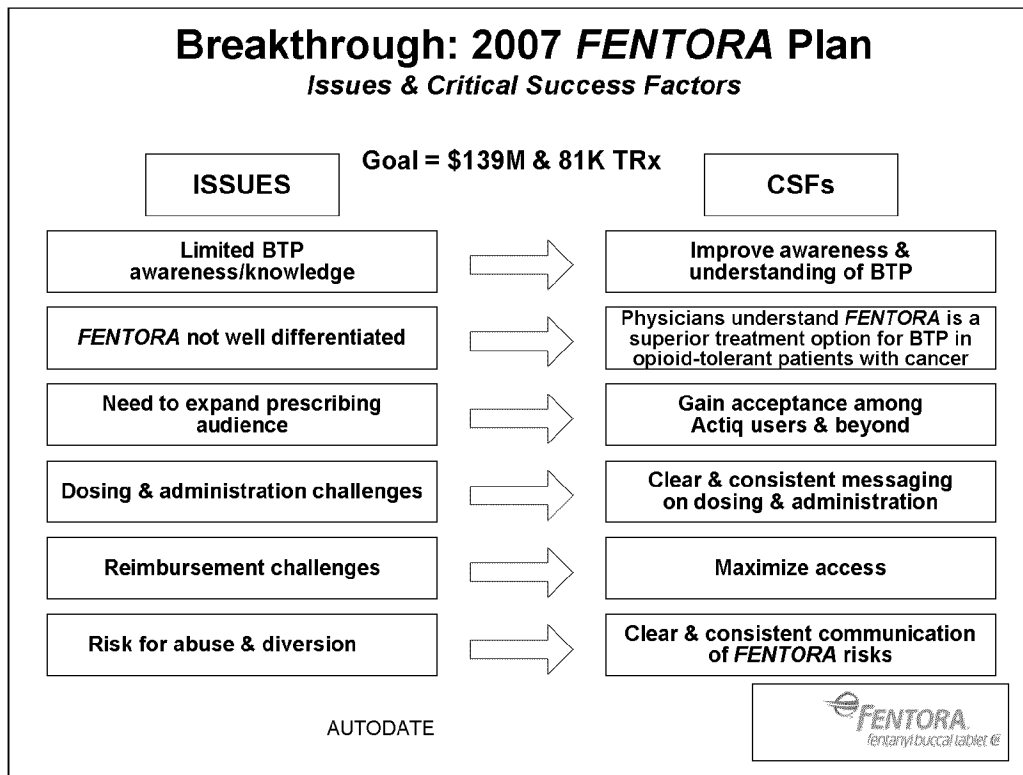




## 2007 Commercial Strategy

### Key Commercial Issues & CSFs





# Launch Success Summary

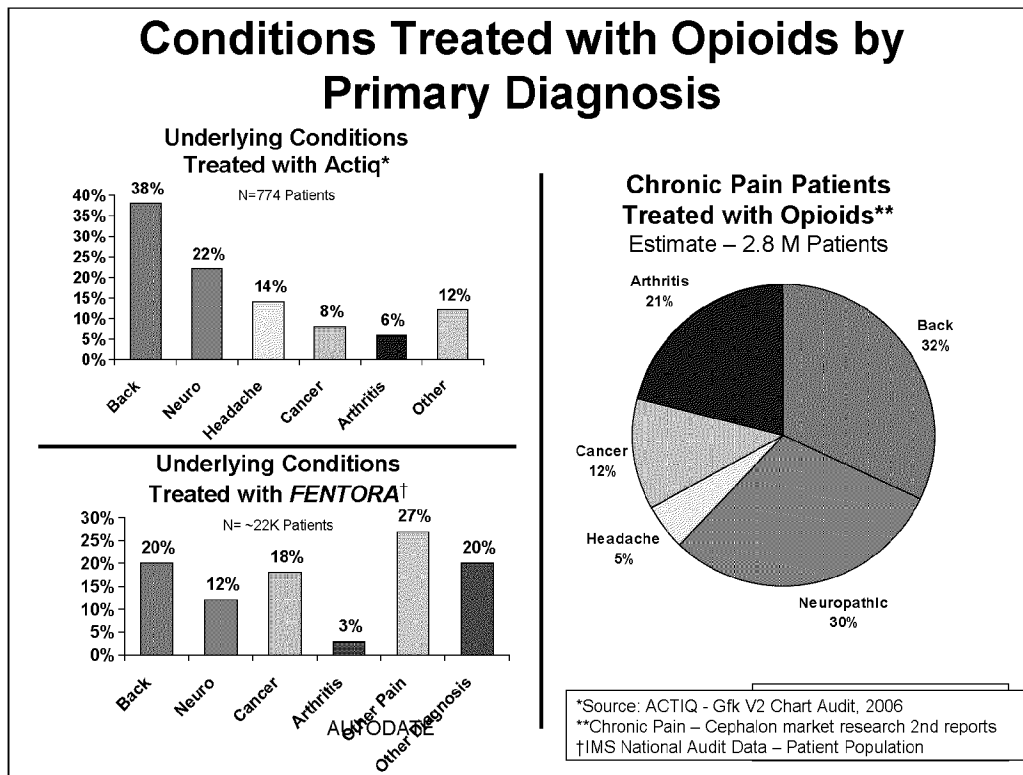
## Marketing Performance

### *FENTORA Launch Objectives*

- ✓ Market was primed for *FENTORA* launch
- ✓ Sales Force was trained & motivated
- ✓ Exceeded 2006 & 2007 sales objectives
- ✓ Achieved high level prelaunch awareness (>90% of Actiq deciles 5-10)
- ✓ Achieved high level awareness of ROO term (>50% of Actiq deciles 3-10 recognize the term by launch)
- ✓ Strengthened relationships with core Actiq prescribers by increasing call frequency among Actiq deciles 3-10 based on 100 PCS reps
- ✓ Converted Actiq deciles 3-10 to *FENTORA* (50% prescribed 1 time in first 3 months)
- ✓ *FENTORA* launch materials were approved and ready at launch
- ✓ *FENTORA* TRxs were 395%, 146%, and 123% to budget at 3 months, 6 months and 9 months post launch
- ✓ PMEAB and KOLs endorsed *FENTORA* as a valuable treatment option for BTP in opioid tolerant patients with cancer

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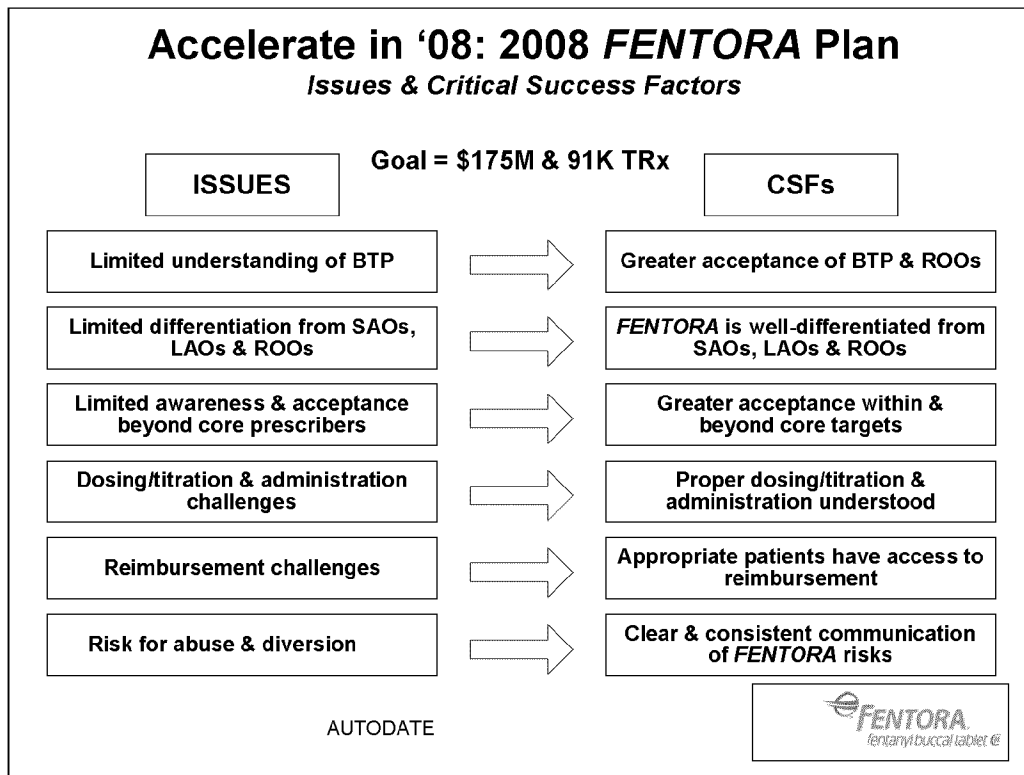


Underlying conditions treated w/ Actiq mirror that of the opioid market

## 2008 Commercial Strategy

### Key Commercial Issues & CSFs



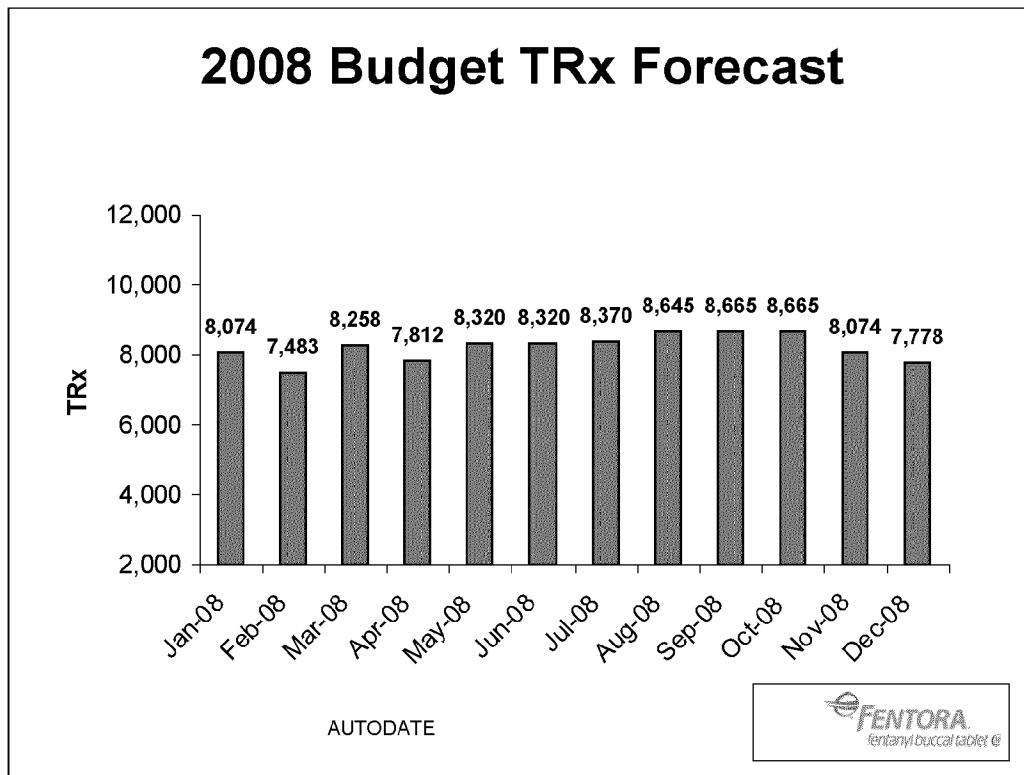


## Key Challenges for 2008

- Limited Resources
  - Marketing expense budget reduced by 45%
  - Reduction in sales force size & addition of second product [REDACTED] impacts both reach & frequency to current prescriber universe
- Limited understanding of the appropriate diagnosis and treatment of BTP
- Limited Product Differentiation – 3039 Non-approval (Jan'08)
  - Challenging competitive landscape due to highly genericized market (LAOs, SAOs & OTFC) plus future branded ROOs
- Dosing/titration & administration challenges
- Pending Competition
  - 3<sup>rd</sup> generic OTFC (Sandoz) launch 2H'08
  - BEMA fentanyl launch 4Q'08
- External Environment
  - Managed care limitations/restrictions on *FENTORA*
  - Risk for misuse, abuse and diversion
  - Unpredictable issues
- Expanded label launch preparation
  - Labeling & RiskMAP changes (May Advisory Board)
  - Branding elements for successful launch

Any reference to BTP in context of strategy/promotion refers to BTP in opioid tolerant patients with cancer until approval of broad label unless otherwise specified.



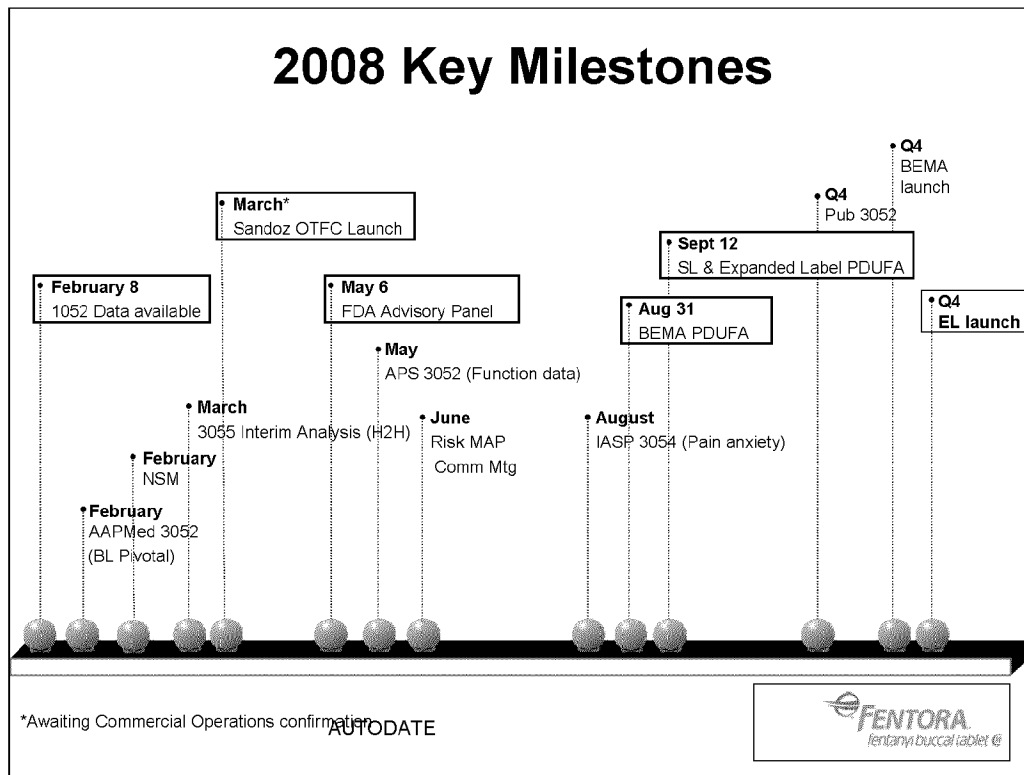


## Risks Associated with Forecast

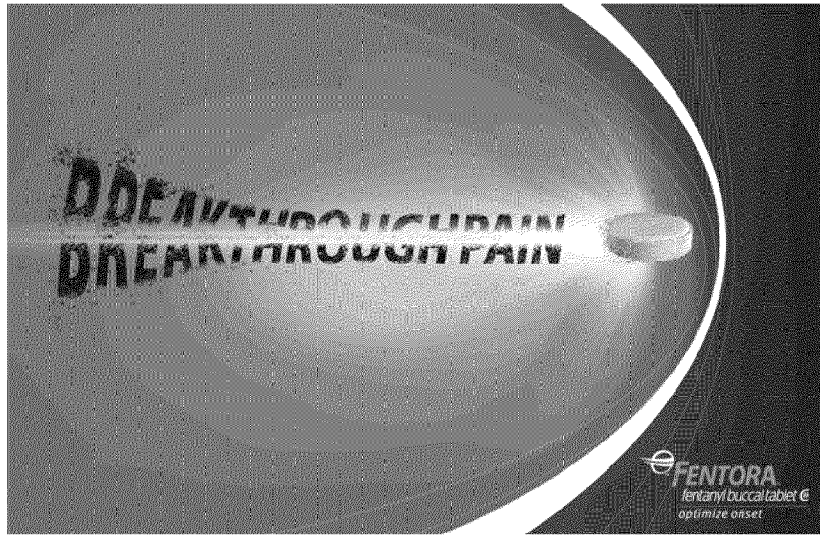
- Flat TRx trend with key variables not remaining constant
  - Sales force size reduction (100 → 60 reps (~18FTEs))
  - Marketing budget reduction (\$28MM → \$18.5MM → \$15.5MM)
- DDL/Safety communication impact still not fully realized
- Redaction - Other Teva Product
- Other potential risks to overall trajectory
  - 3<sup>rd</sup> OTFC generic not included in assumptions
  - BEMA 4<sup>th</sup> quarter potential launch not included

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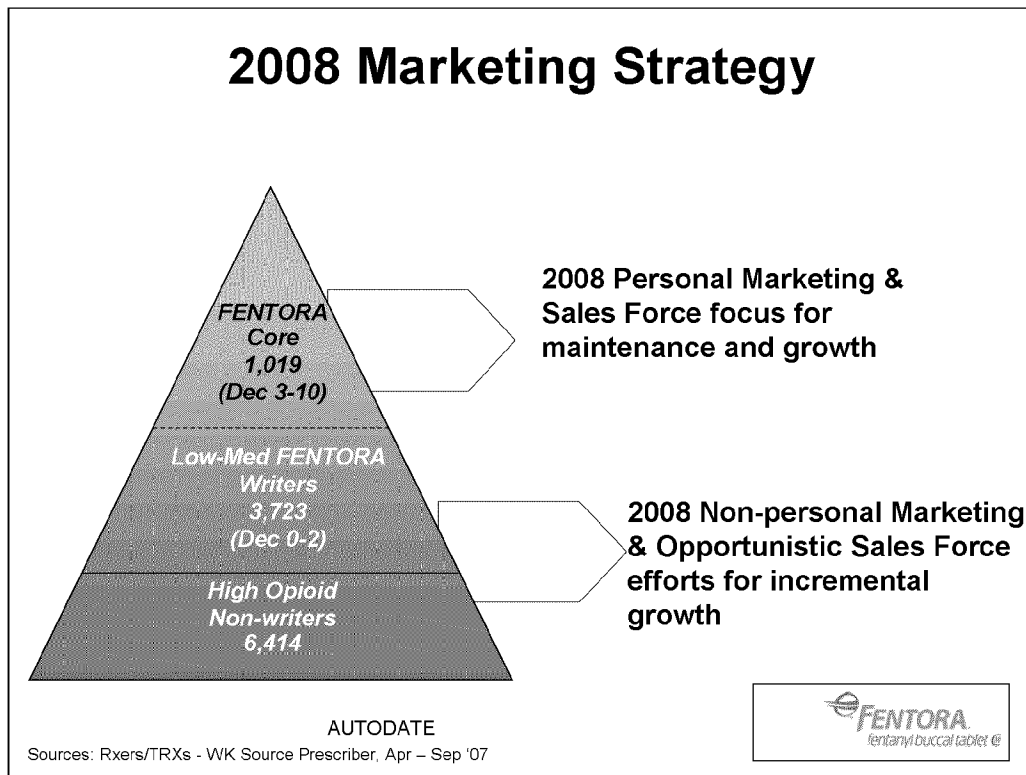


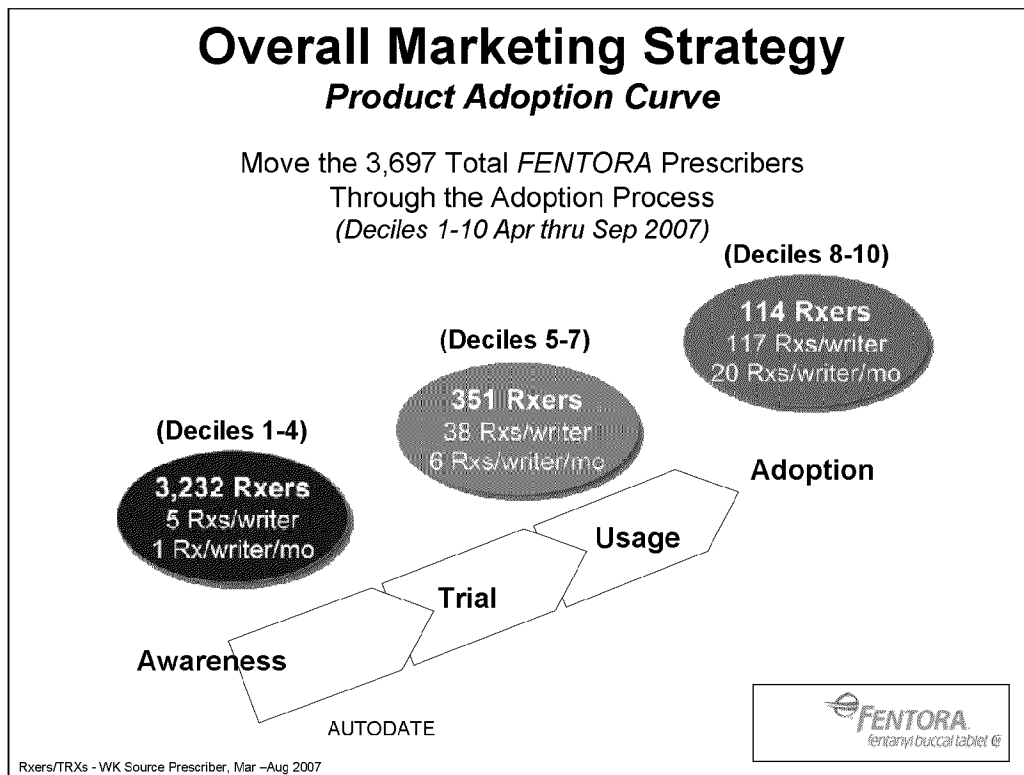
## Phase III Campaign



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**FENTORA**  
fentanyl buccal tablet  
optimize onset

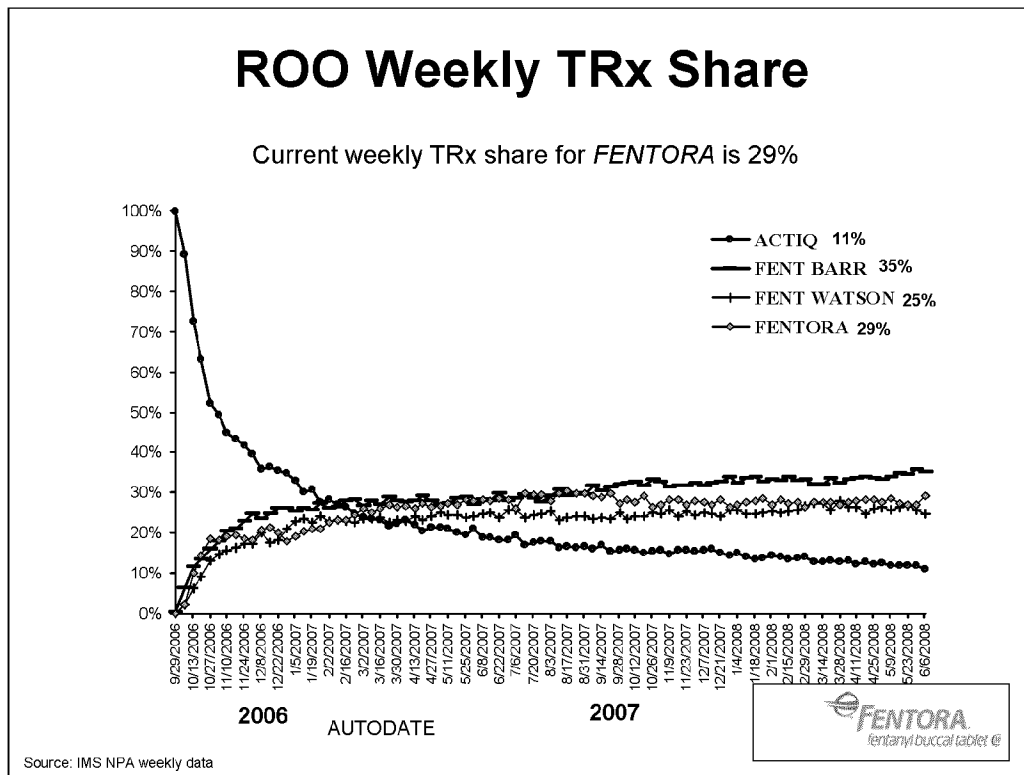


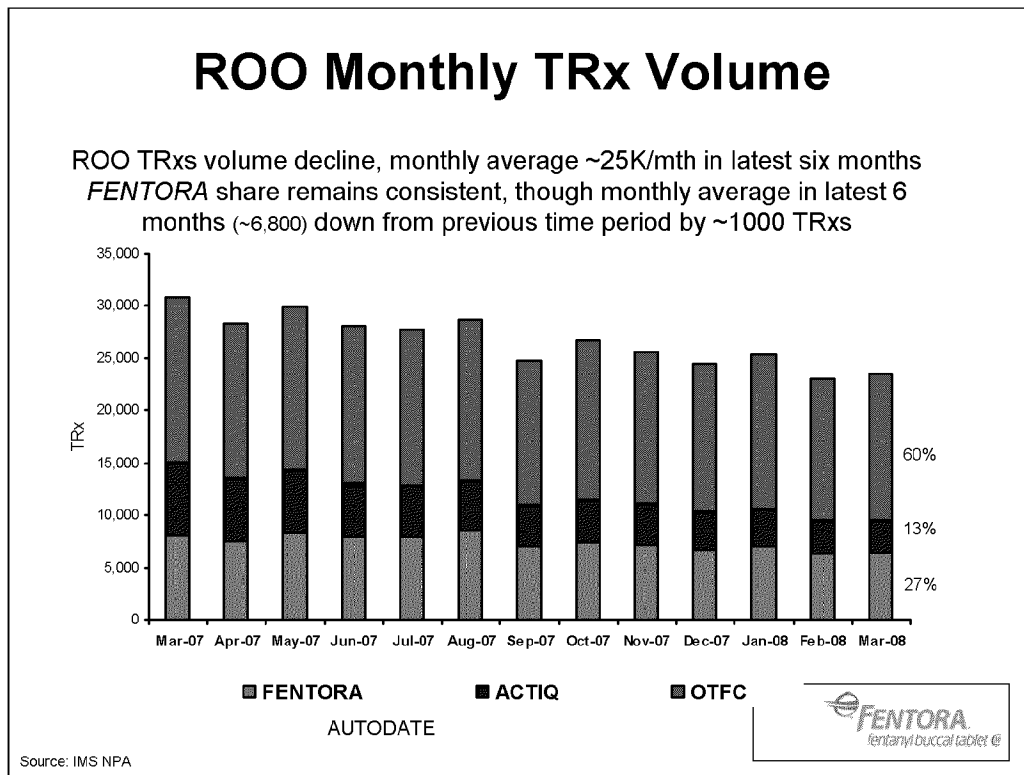


## *FENTORA* Performance

### **Launch to Present**







12 mos av      6mos avg

Monthly average      6 mos ending 8/0

Fentora      8,027

Actiq      5,704

OTFC      15,205

Total ROO      28,936

6 mos ending 2/08

6,944

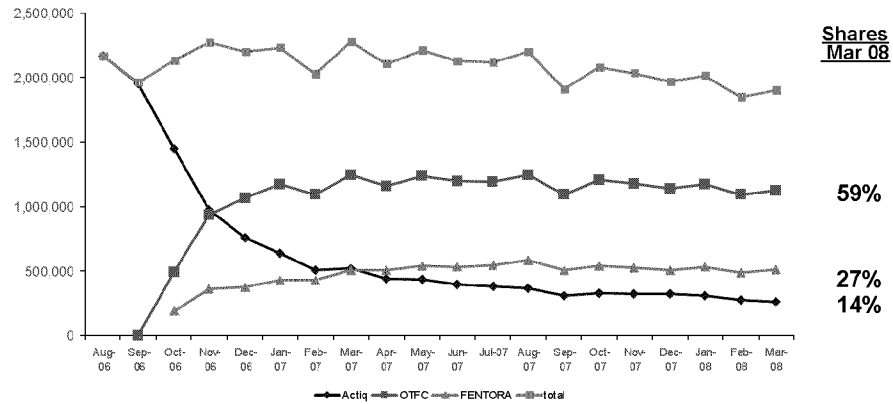
3,756

14,278

24,977

## ROO Monthly Units

*FENTORA* & OTFC unit volume flat as Actiq volume declined (latest MAT)

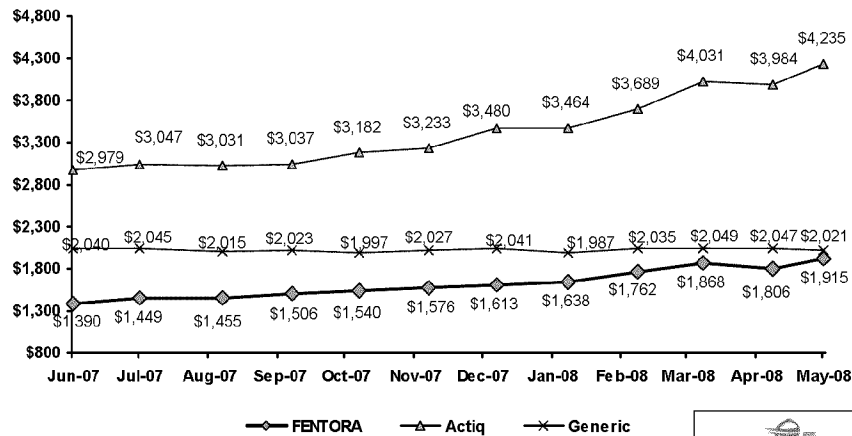


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## FENTORA Monthly Average Cost per TRx vs. Actiq

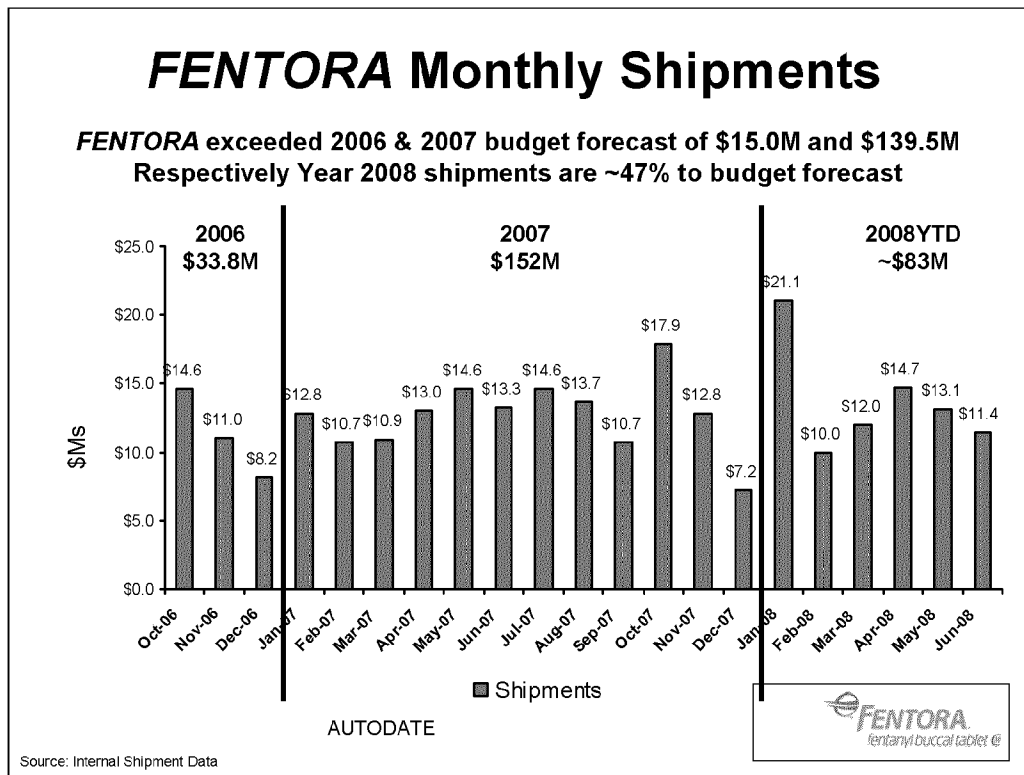
Based in current utilization of *FENTORA*, the average WAC pricing is 55% less than that of Actiq

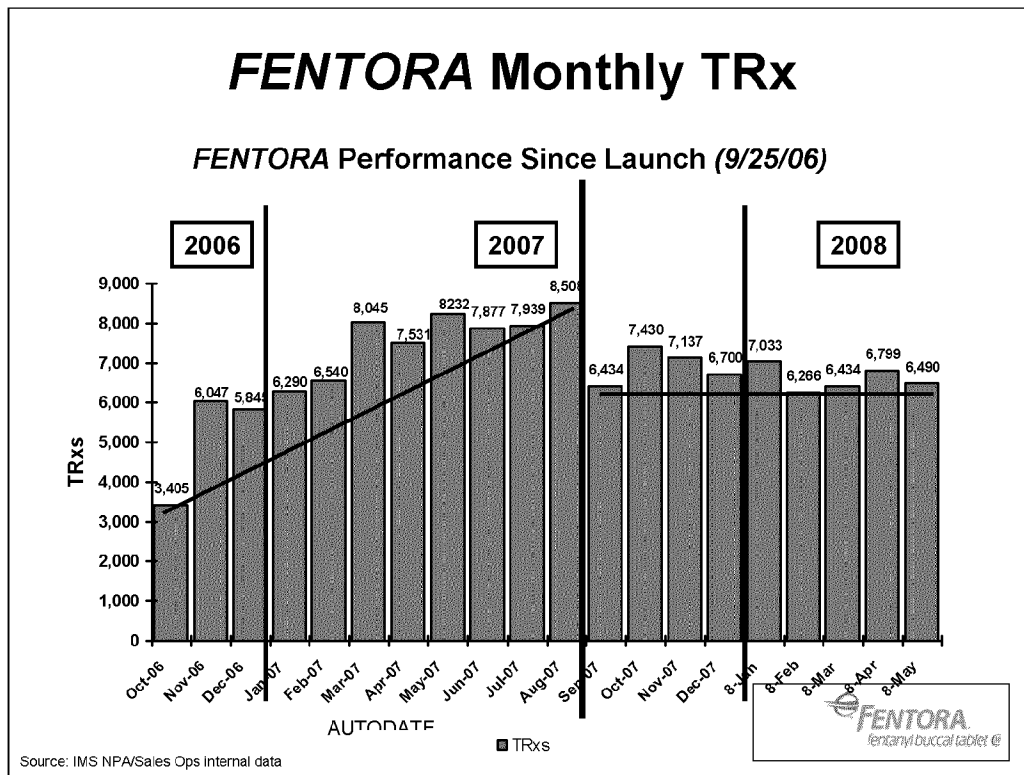


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Source: IMS NPA (retail and mail order only); calculation is based upon NPA demand sales (units per strength\*WAC per unit strength) divided by NPA TRx

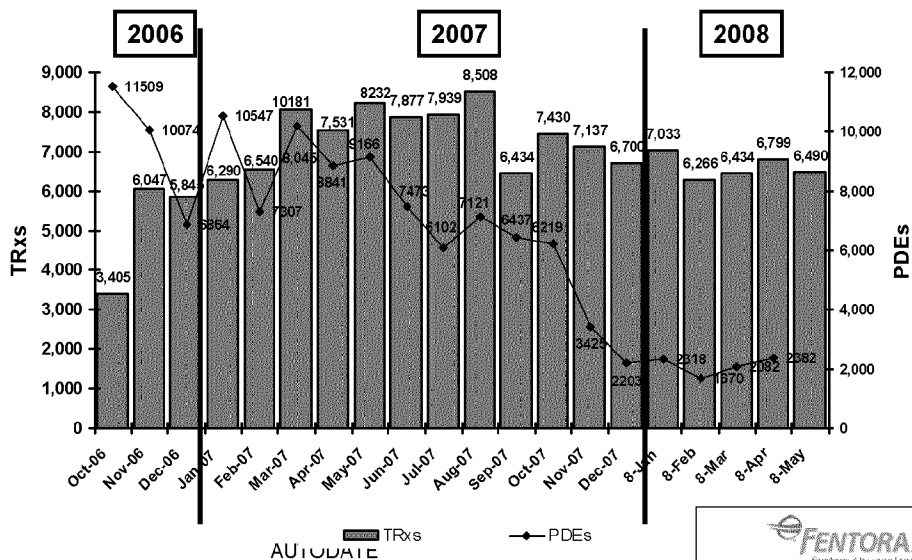






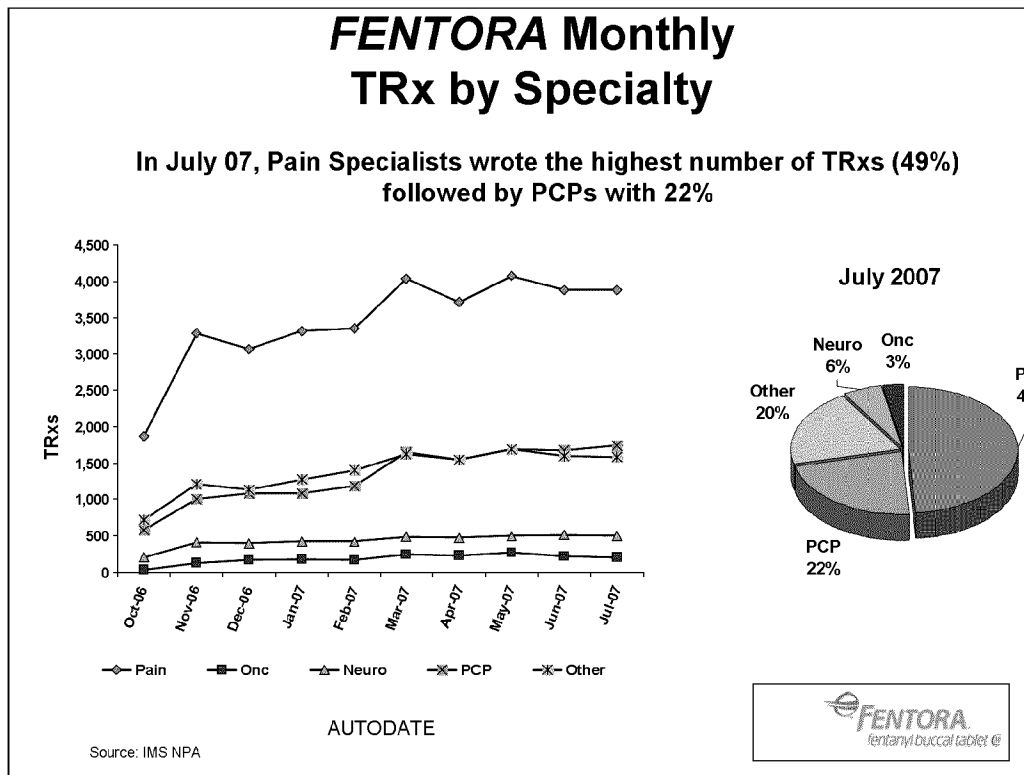
## FENTORA Monthly TRx and PDEs

FENTORA Performance Since Launch (9/25/06)



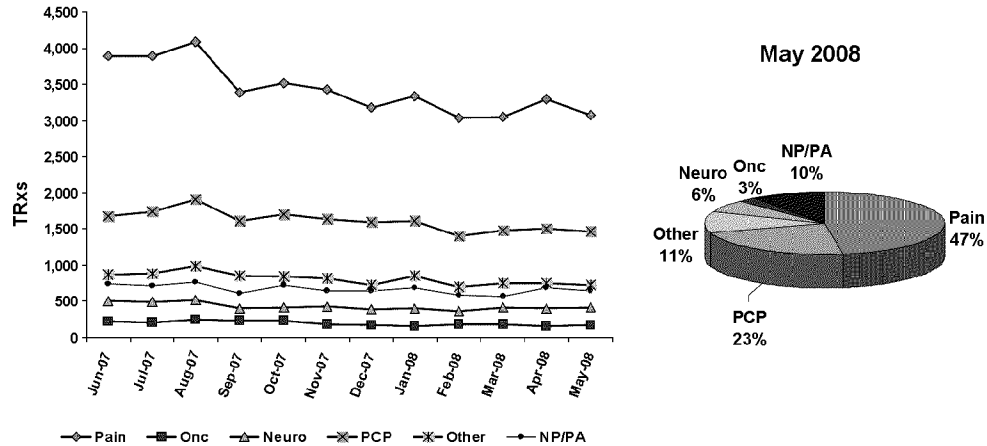
Source: IMS NPA/Sales Ops Internal data





## FENTORA Monthly TRx by Specialty

In May 08, Pain Specialists wrote the highest number of TRxs (47%) followed by PCPs with 23%



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Source: IMS NPA



### 3 Month Fentora Prescriber Growth/Loss Count

Growth/Loss	*Prescriber Count
Moderate Growth > 5%	438
Minimal Growth/Loss +/- 5%	106
Moderate Loss >- 5%	559
Total	1103

\*Only Includes prescribers in the Fentora 12 Month TRx 3-10 Deciles parameter.  
 (Does not include Territory 33140901 Activity or DNP and PDRP Prescribers)  
 Growth/Loss comparison is from November 2007 - January 2008 VS February 2008 - April 2008.



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## 6 Month Fentora Prescriber Growth/Loss Count

Growth/Loss	*Prescriber Count
Moderate Growth > 5%	404
Minimal Growth/Loss +/- 5%	82
Moderate Loss >- 5%	617
Total	1103

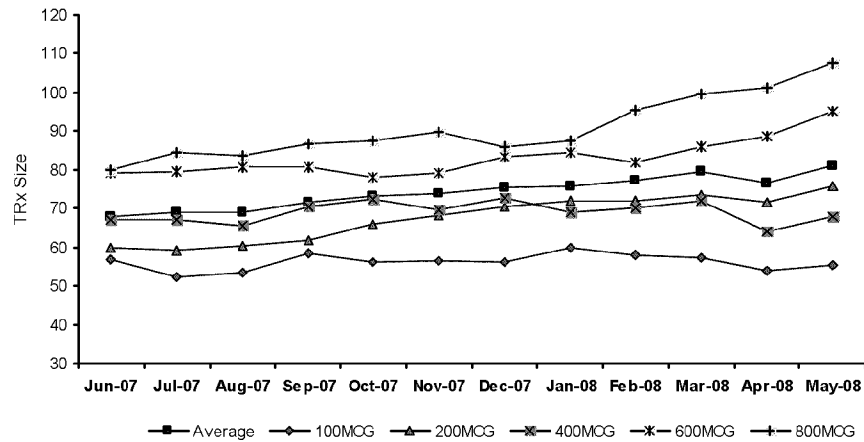
\*Only Includes prescribers in the Fentora 12 Month TRx 3-10 Deciles parameter.  
 (Does not include Territory 33140901 Activity or DNP and PDRP Prescribers)  
 Growth/Loss comparison is from May - October 2007 VS November 2007- April 2008.



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## FENTORA Monthly Average TRx Size by Strength

The average monthly TRx size for *FENTORA* for May 08 is 81 units per TRx, while the 800mcg strength has the highest average TRx size at 108 units per TRx



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Source: IMS NPA



## Customer experience with *FENTORA*

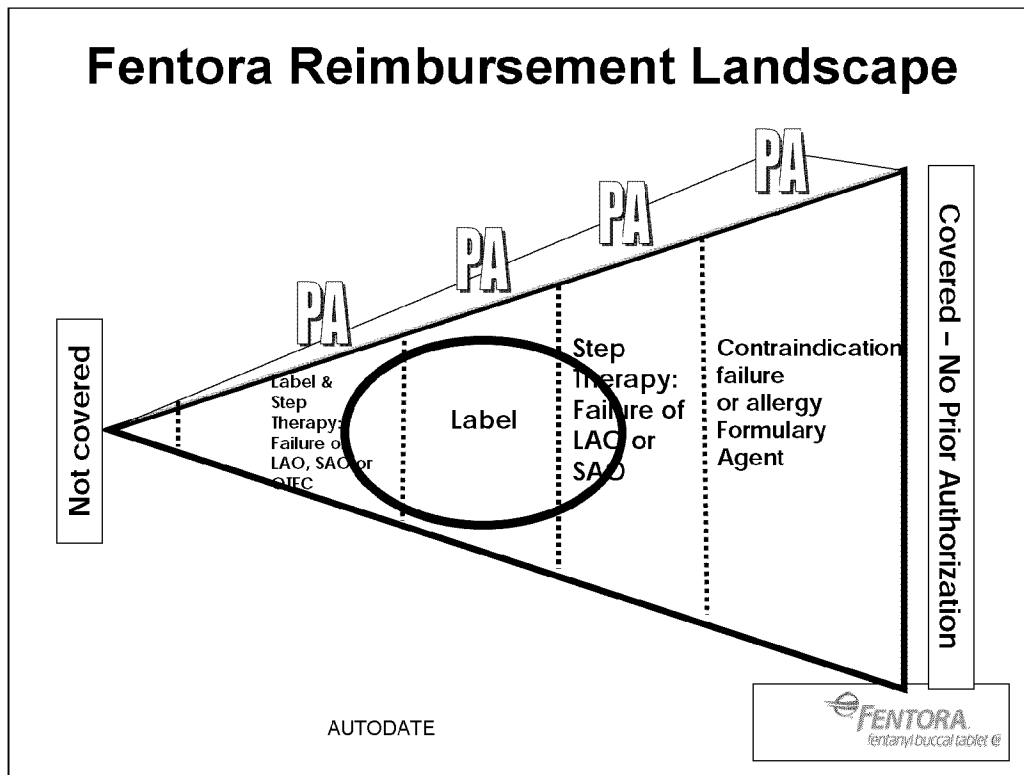
- In studies we found *FENTORA* prescribers rate the product favorably - 5 or 6 out of 7 on “overall experience” or “satisfaction”
- *FENTORA* is consistently described as “Rapid Acting” and “Potent”
  - Rapid acting can be very beneficial for the patient, but raises concerns around abuse
  - Potency clearly links to the efficacious nature of the product, but makes some perceive it as potentially unsafe
- In our recent research, physicians stated *FENTORA* requires “commitment” on the part of the physician
  - In terms of patient selection, explaining product administration, challenging reimbursement process, time on paperwork, etc.
- Cephalon is seen as “invested” in the category which brings an assumption of research, experience, commitment and knowledge.

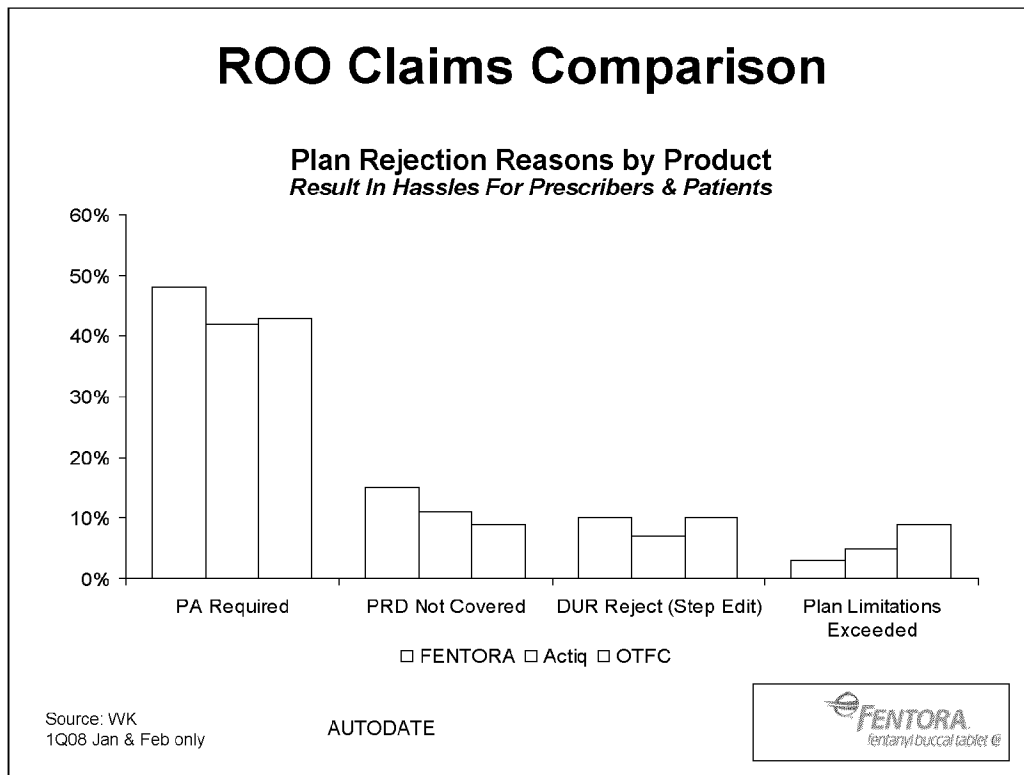
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## Managed Care Landscape







## Co-Pay Comparisons

Cost Range	Co-Pay Approved Claims		
	<i>FENTORA</i>	Actiq	OTFC
Average	\$57	\$84	\$50
\$0.00	27%	33%	23%
\$0.01 - \$5.00	5%	5%	20%
\$5.01 - \$10.00	9%	13%	30%
\$10.01 - \$20.00	5%	5%	9%
\$20.01 - \$40.00	25%	25%	6%
\$40.01 +	30%	19%	11%
Total	100%	100%	100%

Source: WK  
Jan & Feb data months

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## Value of Managed Market Segment

### *Cephalon HCS Team*

#### **HCS Goal:**

#### **Maintain/improve access to patients and physicians**

- Preventing Restrictions
- Realistically-attainable reimbursement
- Minimizing anticipated managed care barriers

#### **HCS Objectives:**

##### **• Seek Best Possible Coverage**

- Move Accounts along the coverage spectrum
- Provide Sound Clinical Rationale
  - Clinical Evidence/Safety and Efficacy
  - Disease Awareness & Education
  - Position *FENTORA* for expanded label

##### **• Maximize Clinical Demand**

- Push / Pull Through Activities
- Identification and utilization of physician advocates

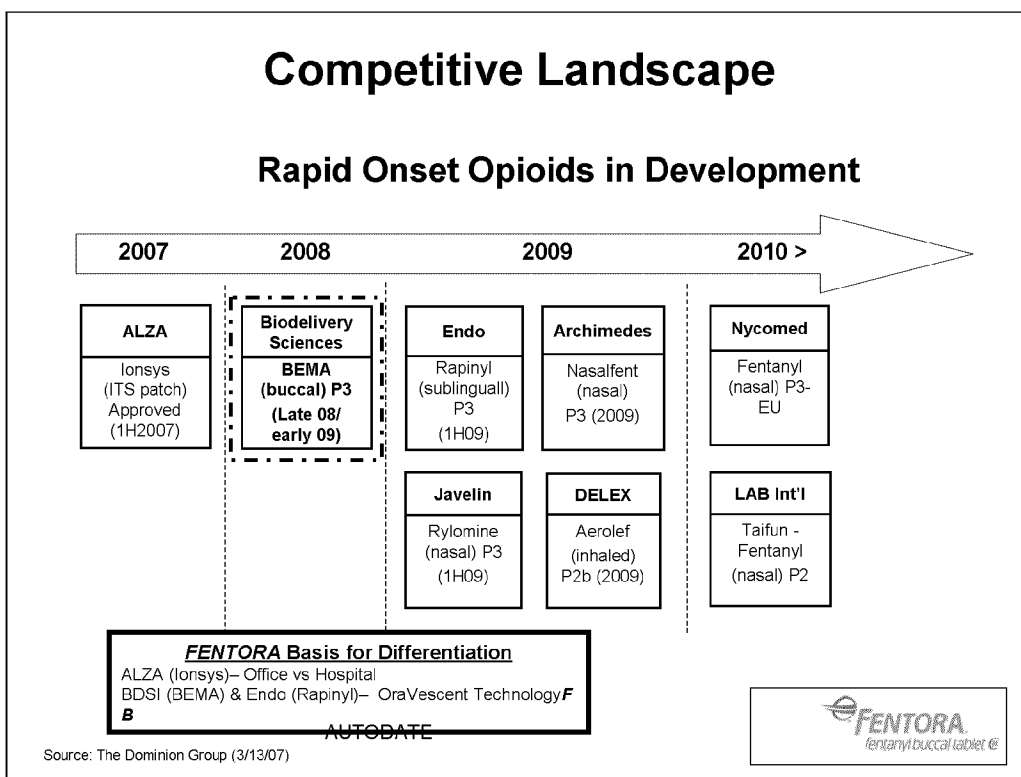
**Cephalon needs to consider changing business model in terms of MCO contracting oppt's to protect market share**



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## Competitive Landscape





HIGHLIGHT BEMA on slide

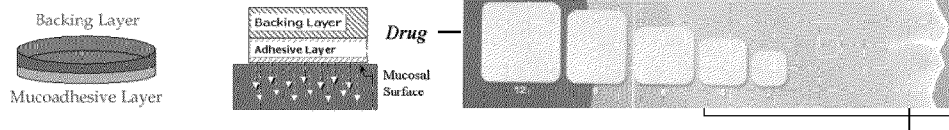
This slide outlines the near and longer term competitive landscape with 1 key competitor this year and BEMA next year so it will be a race to build FENTORA awareness and as the leader in the BTP cancer market so we need to demonstrate leadership in this class now.

ENDO – submitting NDA 1<sup>st</sup> half 08

BEMA recently had a WebCast regarding their phase III data and plans

## BEMA (MEDA AB/ BioDelivery Sciences)

- BEMA is a bio-erodible muco/adhesive disc indicated for the treatment of breakthrough pain in opioid tolerant patients with cancer
  - Said to dissolve within 30 minutes of application; the disc readily adheres to the mucosal membrane (within 5 seconds) when moistened
  - Benefits are higher bioavailability, ease of use and lower application site reactions
- Milestones:
  - **October '07** – NDA submitted
  - **February** - MedPointe will become Meda's main U.S. affiliate.
  - **March** – Growing warnings that BDSI is in a poor financial situation
  - **April** - BEMA Advisory Board held in Miami; Meda sales force #'s 465
  - **May** – Data on BEMA presented at APS (5/8-10); Oncology Nursing Society (5/13-15); scheduled for 2008 Research Forum in Norway (May 29-31) and ASCO (5/20-6/3);
  - **August** – 8/31/08 PDUFA date; expect launch 4Q'08



## Competitive Profile Comparison

### Oral Fentanyl Products

Key Attributes	Actiq (OTFC)	FENTORA Buccal Tablet	BEMA Buccal Disc
Indication	BTP in CA pts	BTP in CA pts (99-14) (Pursuing BTP in non-Ca patients ~Q4'08)	BTP in CA pts ~ Q1'09 (Pursuing BTP in non-Ca patients)
Onset	15 min	15 min (10 min ???)	15 min
Duration	60 min	60 min (120 min ???)	60 min
Absolute Bioavailability	50%	65%	70%
Dosage	200, 400, 600, 800, 1200 & 1600 mcg	100, 200, 300, 400, 600 & 800 mcg	200, 400, 600, 800, 1200 Linear up to 2400 mcg
Titration	1 higher strength at a time	Multiple 100 & 200 mcg tabs	???
Safety	Comparable	Comparable	Comparable
Mucosal Irritation	Minimal	Low (10% incident rate with 2% of pts discontinue)	Minimal/none
Taste	Berry	"Baking soda"	Mint

Source: BioDelivery Science International April 25, 2007; Press release BEMA™ Fentanyl Demonstrates Substantial Transmucosal Delivery in Absolute Bioavailability Study; Press release May 14, 2007 BDSI Announces Positive Key Secondary Endpoint Results for BEMA™ Fentanyl; Press release December 17, 2007 Endo Announces Positive Results From Interim Analysis of RABTODATE Phase III Clinical Trial; Lennernaes B et al. *Br J Clin Pharm.* 2005;59(2):249-253.



## Brand Audit / Market Pulse

### BEMA Product Exploration

- Physicians were relatively “underwhelmed” with the BEMA product profile, indicating that there are few meaningful differences between it and FENTORA.
- Their perception was that BEMA was no more efficacious than FENTORA and may be problematic in its application.
- Relative lack of experience in the category was seen as a disadvantage for BEMA. Cephalon is seen as “invested” in the category which brings an assumption of research, experience, commitment and knowledge.

Brand Audit/Pulse Study 1Q03

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## **BEMA Likely Marketing Approach**

### ***MedPointe***

#### **We anticipate:**

- Targeting – current *FENTORA* & Actiq prescribers
- Primary competitive message
  - “broader dose ranges available- suitable for wide range of patients
  - “Start with us, stay with us” – new patients & high dose patients
  - “no oral mucosa irritation”
- Pricing
  - We expect them to launch at a discount to *FENTORA* (5-15%)
    - Competing solely on price (in a generic market) unlikely
- More likely to go after our known weakness which is the lack of a high dose
  - Early BEMA messages suggest this approach

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## Potential Levers to Blunt Competition

Function		Levers	Strategy/Tactic
Marketing/Sales		Differentiate	<ul style="list-style-type: none"> <li>• Appropriately disseminate clinical data</li> <li>• Message vs. competitor positioning</li> </ul>
		BTP Awareness	<ul style="list-style-type: none"> <li>• Increase educational efforts</li> <li>• Partner with pain societies</li> </ul>
		Reach & Frequency (greatest SOV)	<ul style="list-style-type: none"> <li>• Increase sales force resource</li> <li>• Increase non-personal promotion</li> </ul>
	HCS	Reimbursement	<ul style="list-style-type: none"> <li>• Pricing</li> <li>• Contracting</li> <li>• Practice Manager Program</li> <li>• Patient kit with debit card</li> </ul>
		Market Segments	<ul style="list-style-type: none"> <li>• Expand into hospital market</li> </ul>
	Regulatory	Abuse, addiction, diversion concern	<ul style="list-style-type: none"> <li>• SECURE               <ul style="list-style-type: none"> <li>– ESP</li> <li>– COVERS</li> </ul> </li> <li>• Education (i.e. non-branded Rep driven CSPs)</li> </ul>
Clinical/Regulatory		Differentiate	<ul style="list-style-type: none"> <li>• High dose approval</li> <li>• Expanded label approval</li> <li>• QOL, function, nt preference data</li> </ul>

**FENTORA**  
fentanyl buccal tablet ©

## Brand Audit / Market Pulse

### Impact of potential *FENTORA* enhancements

- Physicians agree that an expanded indication would provide validation of current physician prescribing behavior, would ease the approval process and would increase confidence among “dabblers” and non-writers.
- A new competitor in the market space is seen as “reinforcing and validating” ROOs as its own category and will result in more dialogue, trial and use.
- Future *FENTORA* enhancements - claims related to onset and duration, sublingual administration, expanded dosing range, and OxyIR head-to-head data - provide meaningful differentiation from BEMA.

Brand Audit/Pulse Study 1Q03

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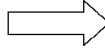
## LCM / Clinical Plan



## Original **FENTORA** Life Cycle Plan

*Planned Clinical Program Designed for Commercial Differentiation*

**Actiq®**  
(oral transmucosal  
fentanyl citrate)



**FENTORA™**  
fentanyl buccal tablet @

### Launch – Differentiation from Actiq

① Clinical differentiation (PK, Efficacy, Sugar-free)	Promote PK advantage & earlier onset of pain relief (<15min onset)
② Dosing advantages, flexibility & publish relative potency	Promote dosing & ease of titration using multiple tabs (double buccal)
③ Dose equivalents (2:1 vs 3:2)	Promote strengths equal to Actiq

### 12–18 Months post launch

④ Expand patient population use	Expand indication for largest portion of Actiq's use (CLBP & NP)
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### 18–24 Months post launch

⑤ Competitive advantage	Promote superiority vs SAO with onset, pt pref, function & QOL
-------------------------	---

## **FENTORA Clinical Update Completed Studies**

<b>Study</b>	<b>Results</b>	<b>Data Status</b>	<b>Medical Meetings</b>	<b>Publication</b>
Cancer BTP (Pivotal)	15min PID & PR 60min Duration	In-Label	Presented at AAPM (Feb 2006)	Published Nov 2006
<b>Cancer BTP II (3039)</b>	<b>10min PID &amp; PR 120min Duration</b>	<b>Promotion (July 2007)</b>	<b>Presented at ASCO (June 2007)</b>	<b>Published July 2007</b>
Low Back BTP (3042)	10min PID 15min PR 120min Duration	WLF	Presented at ASRA (Nov 2006)	Published Dec 2006
Neuropathic BTP (3041)	10min PID & PR 120min Duration	WLF	Presented at AAN (May 2007)	Published April 2007
Cancer OL Safety (9915)	Safety & Tolerability (18mo)	Pending CSR	Pending	Pending
Buccal vs. Sublingual PK Study (1043)	Bioequivalence for buccal & sublingual admin	Pending CSR	Pending	Pending

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**FENTORA**  
 fentanyl buccal tablet ©

3039 Published in the July/august volume "The Journal of Supportive Oncology"

**FENTORA Clinical Update (cont.)**  
**Current/Planned Studies**

Study	Goal	Timeline
Non-Cancer BTP (Pivotal)	Indication for all BTP	Complete 3Q-2007 sNDA submission 4Q-07
QOL Pain Anxiety Symptom Study	Reduction in Anxiety associated with BTP	Complete 4Q-2007 Support for sNDA
Head-to-Head Study I <i>FENTORA</i> vs. Oxycodone IR	Demonstrate Superiority	Start 2Q-2007 Complete 2Q-2008
Head-to-Head Study II <i>FENTORA</i> vs. Oxycodone IR	Demonstrate Superiority	Start 4Q-2007 Complete 4Q-2008
Relative Potency of <i>FENTORA</i> to IV Morphine	Quantify Relative Potency	Start 1Q-2007 Complete 4Q-2007
Relative Potency of <i>FENTORA</i> to Oxycodone IR	Quantify Relative Potency	Start 4Q-2007 Complete 2Q-2008
Higher Dose PK Study	Higher dose strength	Start July 2007 File 1Q-2008

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Higher dose PK study: hope to have data to file 1<sup>st</sup> Q 08 with an expectation to have a higher dose commercially available in 2H 08 (doses could either be 1000 or 1200mcg)

3055 8 week study

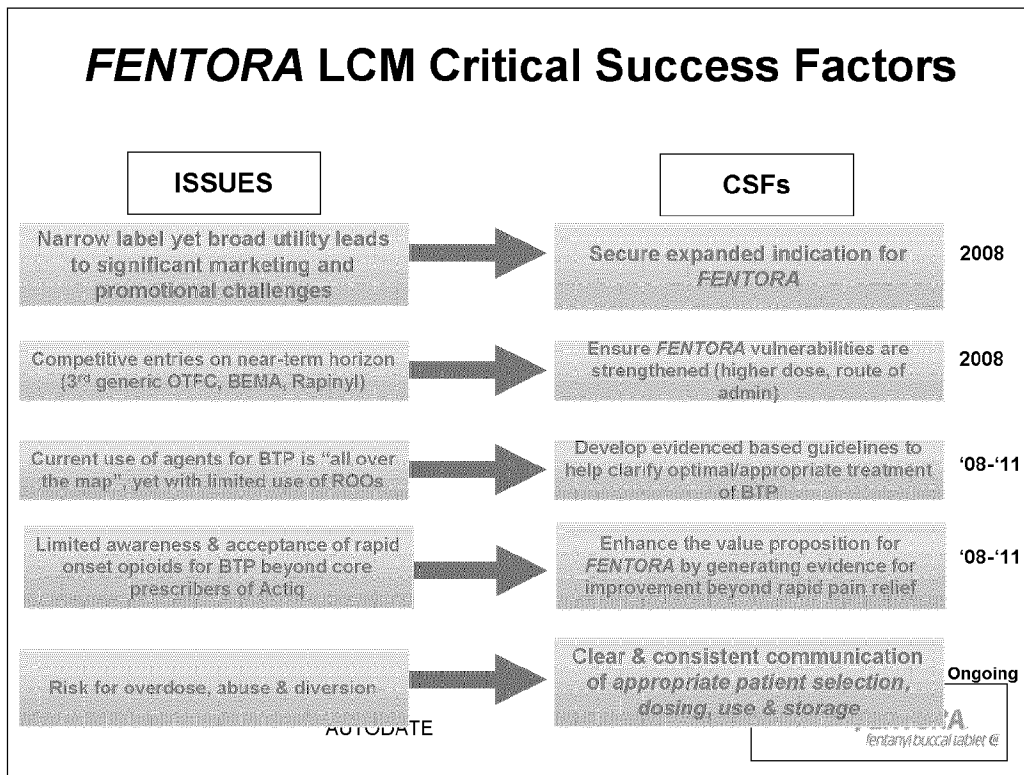
3056 same as 3055 with 3 month extension with open-label of FENTORA (long-term FENTORA extension) but protocol has not been written

## Value of the High Dose

- Timing of high dose availability relative to BEMA entry critical
- Serves as competitive blunting to BEMA entry
  - High dose protects market share (approx \$25M/qtr at peak)
- Recommendation
  - Readiness to file high dose (1000 &/or 1200) CMC submission in May (after Ad Comm Mtg)
  - Agreement to file in May pending Positive or Negative outcome
  - Publish high dose (1052) study (SRL) to provide medical support regarding higher dose linearity & proportionality

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## Forecast Scenarios

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Baseline (current trend)	\$133.6	\$178.9	\$184.8	\$184.8	\$184.8	\$184.8	\$184.8	\$184.8	\$184.8	\$184.8	\$184.8
Baseline + High Dose + BEMA (4Q08) + 3rd Market Entrant (4Q09)	\$133.6	\$176.7	\$149.8	\$121.7	\$93.7	\$88.8	\$88.8	\$88.8	\$88.8	\$88.8	\$88.8
Baseline + High Dose + BEMA + 3rd Market Entrant + Broad Label w/ H2H	\$133.6	\$176.7	\$177.4	\$200.2	\$197.6	\$204.0	\$213.9	\$223.6	\$232.9	\$242.0	\$250.6

No adjustments made based on  
promotional resources AUTODATE



## sNDA Committee Panel Results

### May FDA Advisory Meeting



## Expanded Label sNDA update

### Advisory Panel Outcome:

- The panel voted 17-3 against approving an expanded label for *FENTORA* in noncancer patients with BTP
  - However, the panel members expressed an overall positive impression of Cephalon, and the proposed RiskMAP enhancements to the sNDA
- Proposed enhancements included tools designed to ensure appropriate patient selection and to mitigate the risks of overdose, abuse, and diversion

### Expanded Label Plan:

- Ongoing communications and interactions with FDA
- Revised RiskMAP submission planned for the 3<sup>rd</sup> quarter 2008 with a potential extension of PDUFA response date
- Commercial launch plan currently being reevaluated commensurate with FDA negotiations and final approval

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## Post FDA Advisory Meeting *Issues & Concerns*

- BEMA expected to seek business from *FENTORA* and Actiq
- **Redaction - Other Teva Product**
  - Redaction - Other Teva Product Amrix Redaction - Other Teva Product
- PDUFA may shift to late '08/early '09
- COVERS to be developed & implemented
  - Potential prescriber (only 6K) & patient burden
- *FENTORA* profile vulnerabilities
  - Sublingual administration tied to sNDA
  - High dose submission delay???



## Plan for Balance 2008

Objective: \$175M

Assumptions:

- No change in allocated promotional resources
- No label change
- New competition:
  - BEMA launch 4Q08
  - Third OTFC

Actions:

- Focus resources on tactics that have most potential to effect business on core prescribing audience
- Address new competition

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## Core Marketing Strategy

- Marketing Strategy – “Maintenance, Awareness, and Differentiation”
  - **Maintenance**
    - Follow existing maintenance and growth strategies
    - Win back *FENTORA* trialers who have migrated back to Pure SAOs
  - **Awareness**
    - Develop BTP and ROO educational campaigns designed to
      - Establish ROOs as an opioid sub-class by highlighting the treatment gap between SAOs and ROOs
  - **Differentiation**
    - Differentiate *FENTORA* from its competitors by communicating
      - The patient benefits of *FENTORA*
        - » What onset means to a patient
        - » The simplicity and convenience of using *FENTORA*
      - Cephalon's experience and depth of knowledge in BTP treatment
        - » # of patients who have safely used *FENTORA*
        - » # of studies, amount of data that Cephalon has regarding BTP treatment
      - Cephalon's dedication to safety
        - » Secure, Protect, COVERS programs

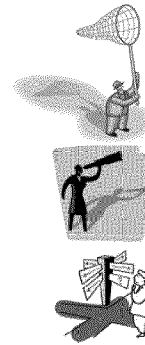


## 2009 Brand Planning Process



## Brand Planning Process 2009

- **Step 1: War Games (Complete)**
  - Review CI
  - Develop scenarios
  - Develop tactical plan
- **Step 2: Brand Team / Palio Message Planning (Complete)**
  - Review message impact to date
  - Competitor assessment
  - Review Clinical Development Plan and potential messages
  - Review Publication Plan
  - Develop message evolution map
- **Step 3: Situational Analysis (Mid-July)**
  - Review all market research and internal database information
  - Obtain input from customers (Ad Board/Consultants)
  - Obtain input from Field Force & FAST Team
  - Identify Key Issues
- **Step 4: Strategic Planning (Mid-July)**
  - Develop CSFs/Strategies
- **Step 5: Tactical Planning (JUL – AUG)**
  - Brief FAST Team & request vendor RFPs (Mid-July)
  - Review FAST Team & external partners tactical recommendations (Aug)
  - Obtain Field Force input
- **Step 6: Approval Process (Oct-Nov)**
  - Draft review VP Sales & Mktg,
  - Draft review Legal, Compliance
  - Present to Sales & Marketing Management for Approval
  - Final review and approval
  - Production & distribution



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## Action Plan – Next 45 Days

- Learn what *FENTORA* Marketing looks like in 2009 with COVERS Program & timing of sNDA approval
- sNDA Resubmission – Early August
- 2009 Tactical Planning Meeting with Palio Communications – 7/22-25
- 2009 Brand Planning Meeting with Mulholland & Commercial Organization – 8/4
  - Brand Plan & Budget Review
- IASP World Congress of Pain in Glasgow, Scotland – 8/18-22

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